

section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

Robert E. Ainslie	Richard W. Hagauer
James H. Amos	William R. Hale
Charles F. Anderson	David R. Harston
Thomas J. Carpenter	Edward Hilding
Don L. Casselman	Charles R. Knoche
Thomas W. Chambers	Walter B. Lull
Edmund G. Chartier	Robert W. Marden
Talmage W. Cobb	Donald L. Nangle
Arthur B. Crawford	Robert F. O'Brien
Raymond C. Dodson	Joe J. Rhiley
Joseph J. Drach	Harold P. Saabye
William B. Driver	Elijah W. Shacklette,
Harold P. Dye	Jr.
James D. Edgington	Eugene A. Sorensen
Theodore E. Erich	George A. Sylvester
Thomas J. Fiden	Richard L. Watson

The following-named distinguished military students of the Reserve Officers' Training Corps for appointment in the United States Air Force in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

John F. Brady
John C. Gall
Irwin P. Graham

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 29, 1949

The House met at 11 o'clock a. m.

Dr. Alfred J. Thomas, pastor, First Evangelical United Brethren Church, Lock Haven, Pa., offered the following prayer:

Father of us all, we commend ourselves to Thee for Thy guidance and care. May Thy presence be manifest in leading our Congressmen in their honest deliberations this day. We are so prone to call the pleasant good and the unpleasant bad.

Teach us that the good is ever achieved at a cost. Grant us the courage to weigh sincerely the opinions of those who differ from us and to remember that we may advance by the winds that would oppose us.

Teach us to be reverent, teach us to be humble; both individually and as a nation we are what we are by Thy Grace.

Be merciful unto us and bless us and cause Thy face to shine upon us. In the blessed name of Jesus Christ our Lord, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in three instances and include in each extraneous matter.

Mr. WITHROW asked and was given permission to extend his remarks in the RECORD and include two resolutions.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Buffalo Courier-Express.

Mr. DAVIES of New York asked and was given permission to extend his remarks in the RECORD.

Mr. GORSKI of New York asked and was given permission to extend his re-

marks in the RECORD and include an article appearing in the Washington Star.

Mr. CLEMENTE asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. CLEMENTE. Mr. Speaker, on yesterday I was given permission to extend my remarks in the RECORD and include an article. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost \$187.50, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Tulsa Tribune of Saturday, June 25, entitled "A Slogan Tells the Story."

Mr. McCULLOCH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Columbus (Ohio) Dispatch.

CALL OF THE HOUSE

Mr. SPENCE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MANSFIELD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 116]

Anderson, Calif.	Kearns	Plumley
Bland	Kee	Roosevelt
Boykin	Kilday	Sabath
Bulwinkle	LeCompte	St. George
Byrne, N. Y.	McMillen, III.	Scott,
Canfield	Macy	Hugh D., Jr.
Celler	Mason	Shafer
Chatham	Merrow	Short
Chiperfield	Morrison	Smith, Ohio
Clevenger	Murdock	Staggers
Cox	Murray, Wis.	Taber
Gilmer	Norton	Thomas, N. J.
Hays, Ark.	Peterson	Vorys
Hobbs	Pfeifer	White, Idaho
Jennings	Joseph L.	Woodhouse

The SPEAKER. On this roll call, 386 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDMENT OF CONTRACT SETTLEMENT ACT OF 1944

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 6, line 11, strike out "other." and insert "other."

Page 6, after line 11, insert:

"(9) Not more than 10 percent of the amount which may be paid by the United States in settlement of any claim filed under the provisions of this subsection shall be paid or delivered to, or received by, any agent or attorney on account of services rendered in connection with such claim, and the payment, delivery, or receipt of any greater amount shall be unlawful, any contract to the contrary notwithstanding; and any person who violates the provisions of this paragraph shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

HOUSING ACT OF 1949

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4009, with Mr. Boggs of Louisiana in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Before rising on yesterday, the Committee agreed that title III of the bill should be considered as read and be open to amendment and subject to points of order.

The Clerk will report the committee amendments.

The Clerk read as follows:

Page 28, line 5, strike out "need" and insert in lieu thereof "needs."

Page 28, line 24, strike out "initiated after March 1, 1949."

Page 29, line 6, after the word "project", insert "initiated after the date of enactment of the Housing Act of 1949."

Page 29, strike out all of line 16 and strike out through "servicemen)" on line 17, and insert in lieu thereof "families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected, and third preference shall be given to families of other veterans and servicemen."

Page 29, lines 23 and 24, strike out "(including families of deceased veterans or servicemen)" where such appears therein.

Page 30, line 4, insert a comma immediately following "connected" and the following: "and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected."

Page 30, line 22, after "(5)" strike out the remainder of said line and strike out all of lines 23, 24, and 25, and strike out all of lines 1 through 6, inclusive, on page 31 and insert in lieu thereof "Every contract made pursuant to this act for loans (other than preliminary loans), annual contributions, or capital grants for any low-rent housing project completed after January 1, 1948, shall provide that the cost for construction and equipment of such project (excluding land, demolition, and nondwelling facilities) shall not exceed \$1,750 per room (\$2,500 per room in the case of Alaska)."

Page 31, line 21, strike out "The Authority shall make loans," strike out all of lines 22, 23 and strike out through the word "projects" on line 24 and insert in lieu thereof "Every contract made pursuant to this act for loans (other than preliminary loans), annual contributions, or capital grants with respect to any low-rent housing project initiated after March 1, 1949, shall provide that such project shall be undertaken in such a manner that it."

Page 32, line 6, following the comma strike out "every contract for", strike out all of line 7, and strike out through "March 1, 1949," on line 8, and insert in lieu thereof "every such contract."

Page 32, line 24, insert a comma following the word "shall" and the following "if the Authority so requires."

Page 35, line 5, immediately following the word "Act" and before the close parenthesis insert "and notwithstanding any other provisions of law."

Page 35, line 17, strike out "provisions of this act" and insert in lieu thereof "first proviso of subsection 10 (b), or, where applicable, the second proviso of subsection 10 (c)."

Page 41, lines 17 and 18, strike out "not to exceed in any fiscal year an additional amount of" where such appears therein and insert in lieu thereof "additional amounts aggregating not more than."

Page 42, line 17, strike out "not to exceed in any fiscal year an additional" and insert in lieu thereof "additional amounts aggregating not more than"; and on line 20 strike out "not to exceed in any fiscal year" and insert in lieu thereof "amounts aggregating not more than."

Page 43, line 4, strike out "development" and insert in lieu thereof "commencement of construction."

Page 43, line 24, before the comma following the word "exemption", insert "and the authorization of payments in lieu of taxes."

Page 44, line 10, strike out "contributions were payable" and insert in lieu thereof "contribution dates occurred"; and on lines 22 and 23 strike out "contributions are payable" where such appears therein and insert in lieu thereof "contribution dates occur."

Page 45, line 21, strike out "families" and insert in lieu thereof "families."

The committee amendments were agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 48, immediately following line 11, insert the following new section 208:

"TRANSFER AND OPERATION OF LABOR CAMPS

"Sec. 208. (a) Section 2 (d) of the Farmers' Home Administration Act of 1946, as amended; section 43 (f) of the Bankhead-Jones Farm Tenant Act, as amended; and Public Law 298, approved July 31, 1947, are repealed effective as of the date of the transfer of the property and funds authorized hereunder.

"(b) The United States Housing Act of 1937, as amended, is hereby amended as follows:

"(1) By adding the following new subsection (f) to section 12:

"(f) There is hereby transferred to the Authority, effective not later than 60 days after the effective date of the Housing Act of 1949, all right, title, and interest, including contractual rights and reversionary interests, held by the Federal Government in and with respect to all labor supply centers, labor homes, labor camps, and facilities held in connection therewith and heretofore administered by the Secretary of Agriculture, for use by the Authority as low-rent housing projects in rural nonfarm areas for families and persons of low income. Such projects when so transferred shall (notwithstanding any other provision of law) be low-rent housing projects subject to the provisions of this act, except as otherwise provided in this subsection. Any or all of the accommodations in any of such projects, other than standard family dwellings as determined by the Administrator (where preference shall also be given migratory farm workers and their families), may be reserved for rental to migratory agricultural workers and their families and the rents of the accommodations so reserved shall not be higher than such workers can afford. The provisions of the second and third sentences of subsection 2 (1) of this act shall not be applicable to the occupants of accommodations other than standard family dwellings. The Authority is authorized to enter into contracts for disposal of said projects by any of the methods provided in this act, including disposal of any such project to a public-housing agency for a consideration consisting of the payment by the public-housing agency to the Authority during a term of not less than 20 years of all income therefrom after deduction of the amounts necessary for (i) reasonable and proper costs of management, operation, maintenance, and improvement of such project, (ii) payments in lieu of taxes not in excess of 10 percent of shelter rents, (iii) establishment and maintenance of reasonable and proper reserves, and (iv) the payment of currently maturing installments of principal and interest on any indebtedness incurred in connection with such project by the public-housing agency with the approval of the Authority. Pending sale of lease of said projects to public-housing agencies, the Authority may continue present leases and permits, or may enter into new leases with public bodies or nonprofit organizations for the operation of such projects. Pending sale of such projects, the Authority may make any necessary improvements thereto and may pay any deficits incurred in their improvement and administration out of any of the funds available to it under this act. Appropriations to reimburse the Authority for any amounts expended pursuant to this subsection, in excess of the funds transferred with such projects, are hereby authorized."

"(2) By inserting in subsection 12 (b) following the word 'Federal' the words 'low-rent housing';

"(3) By inserting in the first sentence of subsection 12 (c) following the word 'Federal' the words 'low-rent housing';

"(4) By deleting in subsection 12 (d) the word 'project' in the three places where it occurs and substituting the word 'projects'; and

"(5) By deleting from subsection 12 (e) the word 'any' where it first occurs and substituting therefor the word 'the', and by deleting the word 'project' in the two places where it occurs in subsection 12 (e) and substituting the word 'projects.'"

"(c) All unexpended balances of funds available for the maintenance, operation, and liquidation of the properties transferred hereunder and for administrative expenses in connection therewith shall be transferred, upon the transfer of such properties, to the Public Housing Administration to be available, until expended, in accordance with the provisions of the United States Housing Act of 1937, as amended."

Mr. COLE of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to call to the attention of the committee the fact that section 208 is a provision in H. R. 4009 which was not heretofore in the original low-cost housing bills presented to this House, as I understand it, nor is it in the bill which passed the Senate. Apparently there has been considerable controversy over whether or not this provision should be in the bill.

There were two or three witnesses appeared before our committee when they had the hearing, yet it is my judgment that not a full and complete hearing was had. I take this time merely to call this to the attention of the House.

There are other Members, I understand, who want to be heard upon this matter, and I therefore yield to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I would like to say that our Committee on Agriculture has been working on farm labor camps for the past 3 or 4 years. We thought we had it lined up in such a way that we would have no difficulties. The truth of the matter is that this House itself took such action not long ago by giving the Department of Agriculture one more year in which to dispose of these farm-labor camps. There is one of these labor camps in my district. It is going to be sold in the next year or so to a farmers' and processors' group to carry on this labor camp so that the farmers and laborers will benefit from its operation.

It seems to me it would be ridiculous at this time to include it in a housing bill when the farmers need these labor camps. You take it completely out of the hands of the farmers and turn it over to the Housing Administration here in Washington, and we are fearful that the farm-labor camps will become nothing more nor less than an institution to provide houses for folks who have no intention whatever of working on the farm. We need these labor camps. I hope everyone interested in the farmers, especially in communities where we have migrant labor, I say frankly that we should strike this section out of the bill.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. COLE] has expired.

Mr. GRANT of Alabama. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment certainly has no place in this bill. The Committee on Agriculture for over 10 years has handled this legislation. It was not in the bill when it was introduced. It was not in the Senate bill. There were practically no hearings held by the Committee on Banking and Currency.

Furthermore, this House has expressed its will no less than three times in the past. Only about 30 days ago the President of the United States signed a bill taking care of this situation. Only 60 days ago that legislation was passed by this House. The only thing that I have been able to find in the way of a hearing before the Committee on Banking and Currency was that something should be done before June 30. It now has been done and is the law of the land. I feel that the chairman of the Committee on

Banking and Currency should withdraw this amendment, because only a few weeks ago the House passed on it.

Mr. Chairman, I yield back the balance of my time.

Mr. McKINNON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, section 208 was put into this bill not because the farmers need this housing but because the people who work for the farmers need this housing. I have discussed this matter with Members from both sides of the aisle and it is pretty much agreed that all of us want to preserve this housing for the migratory farm worker. We have 21 of these camps in California that house some 350,000 of our migratory farm population. Under the Bramblett Act these camps would be transferred to any organization that satisfactorily bids for them to the Department of Agriculture. We have no guaranty that these camps will be continued to be used by the migratory workers, for after next year the Bramblett Act expires. If at that time there are no takers for these camps, then they may be sold to anyone who wants to buy them at 15 cents or less on the construction dollar and they will be lost for the purpose for which they were built. We feel that these camps should be continued for the migratory workers. Under this bill, they will be continued that way. Any community that has a migratory camp can form a local housing agency subject to recognition by the Board of Supervisors or by the city council. This local agency can lease and administer this migratory camp for the benefit of the migratory workers. Otherwise, under the Bramblett Act, when that act expires, any unrelated organization can come in and acquire this housing and use it for their own purposes.

Mr. BRAMBLETT. Mr. Chairman, will the gentleman yield?

Mr. McKINNON. I yield.

Mr. BRAMBLETT. If I understood the gentleman correctly he said they could be sold to anyone. The present extension of the law provides that it must be sold for agricultural purposes and to a nonprofit association of agricultural people; so the point the gentleman made would not come up until a year from the first of July when they would be opened up again if they are not sold.

Mr. McKINNON. That is correct up to this point: Our past experience shows that during the past year this bill has been in force we have had only nine offers to acquire 9 of the 21 camps, although I do not believe any offer has been sufficiently good to be accepted. Only 9 of the 21 camps have been bid for. Obviously, the farmers have the greatest amount of interest in obtaining migratory camps for employment purposes, but I believe these camps should be continued and administered by some agency for the benefit of migratory workers rather than to throw their status into a state of future uncertainty as has been indicated by the past year's operation.

Mr. BRAMBLETT. The House and the Senate both passed the bill unanimously, and the President signed it, extending the time a year and a half. That certainly will give time to see if

people are interested in housing migratory agricultural workers from the standpoint of the welfare of agriculture.

Mr. WHITE of California. Mr. Chairman, will the gentleman yield?

Mr. McKINNON. I yield.

Mr. WHITE of California. I wish to ask the gentleman if, as a matter of fact, this amendment that he has brought forward is not the result of the effort that has been undertaken under the year's extension of the Bramblett Act?

Mr. McKINNON. The point is well taken, I may say to the gentleman from California [Mr. WHITE].

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. McKINNON. I yield.

Mr. HARDY. Are we to infer from the gentleman's remarks that he contemplates that the matter of providing housing for migratory workers should become a permanent part of the Public Housing Authority?

Mr. McKINNON. I might say that thus far there is pretty much of an agreement as far as need is concerned by the delegation from California, and the delegations from other States affected by the migratory-worker problem.

Mr. HARDY. But here we are considering a basic and elemental factor and I just wanted to get the gentleman's reaction.

Mr. WHITE of California. Mr. Chairman, will the gentleman yield to me to answer the gentleman on that matter?

Mr. McKINNON. I yield.

Mr. WHITE of California. I would say if that were undertaken from scratch, "No" would be the answer, but these buildings are here and they are providing a part of the answer to the Grapes of Wrath problem. I do not think they should be sold to these special groups of big farmers for 5 cents on the dollar. They have been offered to them for 15 cents and they will not take them. Now they want them for 5 cents on the dollar.

Mr. McKINNON. Very true.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HILL. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I had not intended to inject myself into this housing legislation, because we are not as interested as those in the heavy industrial areas, but may I say with all due deference to the gentleman from California he is 100 percent mistaken, that is all. He could be more, but I could not imagine it.

We are not trying to do anything except to preserve these camps for the farmers and the workers themselves. The Department of Agriculture up to this time has not put on enough steam to sell these projects and that should not be offered in opposition to what we are trying to do here.

Let me show you how mistaken the gentleman is. We have a camp not over 50 miles from my home in my district and we have been trying to sell that camp for some time. We are now at the point of making a contract for the sale of the camp. The amount of money has been determined upon and the contract may be carried out. That entire farm labor camp will become the prop-

erty of an association of farmers and of processor groups in that area. They will own and operate it. There are a great many reasons I could mention why these camps have not been sold. One, I am convinced in my own mind, is because the Department of Agriculture had held them at too high a price. Under this program you will just take them back again and make them a permanent proposition which the Federal Government will have to operate from Washington. That is the thing we do not want. These camps should be operated in California by Californians for the benefit of farmers and laborers in California. Certainly you do not want to do what is attempted in this section of this bill.

Mr. WELCH of California. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from California.

Mr. WELCH of California. Is it not a fact that if the section is left as it is in the bill the operation of the labor camps will become an integral part of the low-cost housing program and will be operated under the supervision of the United States Government, whether they are in California or in any other part of the country, and will benefit the farmers? Under the care of the Federal Government it is bound to result in benefit to the farmers. The Government should be given the opportunity of putting the camps in repair and making them fit for human habitation.

Mr. HILL. We have done that.

Mr. WELCH of California. It has not been properly done.

Mr. HILL. The gentleman does not think the people of California or Colorado are not able to operate these camps in their local communities, does he?

Mr. Chairman, I think we should vote this section out of the bill.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. ROGERS of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Florida to the committee amendment: Page 49, line 6, after "projects", strike out "in rural nonfarm areas for families and persons of low income" and insert "in rural areas for agricultural workers and their families."

Mr. HILL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HILL. I made a motion to strike out this section. Now, we are still on my motion, are we not?

The CHAIRMAN. No.

Mr. HILL. Well, I was recognized for that purpose.

The CHAIRMAN. The gentleman from Colorado did not submit an amendment. He may later on, if he desires to.

Mr. HILL. A further parliamentary inquiry. Did not the gentleman from Alabama [Mr. GRANT] offer an amendment?

The CHAIRMAN. Does the gentleman from Florida yield to the gentleman from Colorado for a parliamentary inquiry?

Mr. ROGERS of Florida. Will it come out of my time?

The CHAIRMAN. Yes; it comes out of the gentleman's time.

Mr. COOLEY. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. COOLEY. If I understand the situation, the gentleman from Florida is attempting to amend the bill now under consideration rather than offer an amendment to the amendment offered by the gentleman from Alabama [Mr. GRANT].

The CHAIRMAN. No. The gentleman from Florida is offering an amendment to the committee amendment. The gentleman from Alabama [Mr. GRANT], has no amendment pending.

Mr. ROGERS of Florida. Mr. Chairman, let me preface my remarks by saying that I do not think that section 208 should be in this bill. Section 208 is particularly an agricultural section and should stay in the Agricultural Department. Now, we have been operating under this law since 1937 or longer, and with reference to the establishment of these migratory camps, these labor camps, that is a matter that the Department of Agriculture should have jurisdiction over. Yet, we get it in this bill.

Further, let me say that this bill is more or less of an urban proposition, and we all recognize that. Why should the Committee on Banking and Currency take from the jurisdiction of the Agriculture Committee these agricultural workers and place them under the Public Housing Authority? It should not be done. I hope you will adopt my amendment. It does perfect it in a certain way in that it gives preference to agricultural workers and their families in these migratory camps, that is all my amendment does, and I do not believe the Committee on Banking and Currency will have any objection to it.

On page 49, line 6, in the committee amendment, this language is used, "in rural nonfarm areas for families and persons of low income." My amendment would strike out that language and insert this language, "in rural areas for agricultural workers and their families." In other words, it only means that in these camps that have been established for agricultural workers, that the laborers, the agricultural workers, the farm workers, shall have the right to be housed in those labor camps rather than give them to the low-income groups and others that might come in, and we do not know what the Housing Authority might do.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from California.

Mr. McDONOUGH. Will the gentleman refer to page 49 and read on line 20? After the period it says, "the Authority is authorized to enter into contracts for disposal of said projects by any of the methods provided in this act, including disposal of any such project to a public housing agency for a consideration." Does not that nullify the intention you have in your original amendment? The gentleman says that it should be for farm workers, but further

down in the same section it gives authority to the Housing Authority to dispose of them.

You do not want that to happen.

Mr. ROGERS of Florida. No; we do not want that to happen.

Mr. McDONOUGH. Then should you not amend that section as well?

Mr. ROGERS of Florida. Just so the farm workers are taken care of, that is all I am interested in. They go all over this country. Without proper housing of these migratory laborers, we will not have them.

Mr. McDONOUGH. The point I am making is that if the gentleman's amendment is adopted the purpose of the gentleman's amendment is nullified by the fact that the language beginning in line 20 after the period and the remainder of that paragraph nullifies the intention of his amendment.

Mr. ROGERS of Florida. Only if they decide to dispose of it, but if they decide to hold it, it would not. They would be obliged to take care of these agricultural migratory laborers who go all over this country.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. ROGERS of Florida. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Kentucky.

Mr. SPENCE. I cannot speak for the committee, but as far as I am personally concerned, I can see no objection to the gentleman's amendment.

Mr. ROGERS of Florida. I appreciate that statement from the chairman of the committee.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Pennsylvania.

Mr. RICH. I think the gentleman has a good amendment. It ought to be adopted.

Mr. ROGERS of Florida. I thank the gentleman.

Mr. Chairman, inasmuch as a bill has already been passed extending the disposition of these camps for a period of 1 year, and the bill has already been signed, and these are retained by the Department of Agriculture for 1 year, there is no need to link these up with this bill. I hope my amendment will be adopted, but even after that I hope you will take out this section 208 because it has no business in this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the committee amendment, and ask unanimous consent to proceed for five additional minutes.

Mr. SPENCE. Reserving the right to object, Mr. Chairman, I shall not object to this request, but we want to proceed

to a conclusion in the consideration of this bill and in the future I shall object to any requests for an extension of time.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KUNKEL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KUNKEL. What is the status of the committee amendment at this time?

The CHAIRMAN. The committee amendment is pending.

Mr. COOLEY. Mr. Chairman, while I do not want to appear picayunish about the jurisdiction of the House Committee on Agriculture, I do feel that the adoption of the amendment under consideration would in effect circumvent our committee and in a degree impair the prestige of the committee and in a manner reflect upon it. No longer ago than May 2 the House passed a bill which was reported by our committee, dealing with this subject. That bill passed the Senate on May 23 and on May 31 was signed by the President. Our committee carefully and diligently considered the problems now presented by the pending amendment and the Congress and the President accepted and approved the action of the Committee on Agriculture. Certainly this is not a matter which could properly be considered and determined by the Committee on Banking and Currency. We are now about to place ourselves and the Congress and the President in the ridiculous position of repudiating the action taken; yes, repudiating it in toto, and we are asked to embark upon a program which is in direct opposition to the rather frequently expressed views of Congress concerning these migratory labor camps. If this amendment is adopted everything which has been done heretofore in connection with these camps will be repudiated and we will again embrace a program which brought the Farm Security Administration into disrepute.

The migratory labor problem is not a national problem, it is definitely localized. It may be a national disgrace but fortunately it is not a problem which is of very great concern to many of the States of the Union. Certainly something should be done to discourage, rather than to encourage, people to tramp from place to place, and drag their children and their household belongings in jalopies from field to field, from county to county, and from State to State.

I appreciate the fact that the situation was once more horrible, but it has never been more deplorable than it is today. I realize that thousands of children were once forced to sleep and to live on ditch banks and out in the open along irrigation canals, and to be woefully neglected while their parents were working in the fields, engaged in harvesting crops. I realize that the situation has been improved and that these camps have provided a great degree of comfort, but I can see no earthly reason why the States involved should not be charged with the responsibility of operating and maintaining the camps which have been built with Federal funds. If the people

of Texas, Arizona, and California, and perhaps two or three other States, in which this deplorable situation exists, are not interested enough in the problems involved to take over these camps and maintain and operate them, what right do they have to call upon the Federal Government to do so? Are we willing to accept migratory labor as an American institution? Are we willing to permanently charge the Federal Government with the responsibility of maintaining and supporting and operating this sort of an institution? I repeat, we should discourage, rather than encourage, the growth of the migratory-labor movement.

In 1944 this House, by appropriate resolution, authorized the chairman of the House Committee on Agriculture to appoint a special committee to investigate the Farm Security Administration, and all its activities. I introduced this resolution, and I was appointed chairman of that special committee. The special committee visited these camps in all parts of the country. We observed how they were being operated and we saw what was happening. The special committee filed a unanimous report and recommended among other things that these camps be liquidated as expeditiously as possible. This House accepted and approved that report insofar as labor camps were concerned, and approved legislation directing that they be liquidated and disposed of. In view of the fact that we were then making every effort to increase production and to fill the breadbasket of democracy, and in view of the fact that the war was still raging, our committee and the Congress decided to extend the time within which the camps should be liquidated, and disposed of. From year to year this extension has been granted. The last extension was in the month of May in this year of our Lord, 1949.

Are we going on record here now to restore the Rex Guy Tugwell-Beanie Baldwin FSA, or are we going to stand up here and have some respect and some regard for the members of the Committee on Agriculture who want to deal with this problem fairly and equitably?

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman, briefly.

Mr. SPENCE. I am sure the Committee on Banking and Currency has no disposition to invade the jurisdiction of the Committee on Agriculture. Sometimes in the multiplicity of questions which come before us we cross over the line. We have done that, perhaps, here. But there was no purpose to humiliate the committee or to take away any of the authority of the great Committee on Agriculture. I want the gentleman to know that. Sometimes other committees invade the jurisdiction of our committee, but we do not hold that against them.

Mr. COOLEY. I certainly attribute no bad motive to the chairman of the Committee on Banking and Currency or to any other member of his committee.

Mr. SPENCE. I realize that.

Mr. COOLEY. But this is just a zealous effort on the part of some Members of the House who want to perpetuate this institution known as the migratory labor camp. If you could take the time to read the report, which we filed in 1944, I am sure you would not want to be a party to any such proposition as is being presented to you now. Are we going on record to authorize the extension which will involve an unlimited amount of money to build these camps and to let these people go from one part of the country to another in the prosecution of agricultural pursuits, or are we going to get the Government out of this business?

We have in mind a method of remedying the situation and letting the Federal Government out. That is, to let the States take them over. I am ready to stand up today and vote to give every one of them away rather than to vote to perpetuate the participation of the Federal Government.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ROGERS of Florida. You have already provided that this proposition of the labor camp has been taken care of for one additional year.

Mr. COOLEY. That is right.

Mr. ROGERS of Florida. Under this bill it would put them under the Housing Act within 60 days' time, is that not true?

Mr. COOLEY. That is right—for Lord knows how long—and for how much money, we would never know. I have a great pride in the Farmers Home Administration. That organization came into being when we liquidated three other agencies making direct loans to farmers. I do not want to see that organization wrecked. I do not want to see it saddled permanently with the operation of these camps, because I know it will bring it into disrepute quicker than anything else we could do for it. The agency is now serving the needs of low-income farmers and tenant farmers of this Nation, and I want to see it continue as a going concern.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. STEFAN. Is there an amendment to strike out section 208?

Mr. COOLEY. Section 208 is a committee amendment itself. I am speaking in opposition to the amendment. I hope the amendment will be defeated and that the Congress will be able to liquidate these camps and get out of the business.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HILL. I would like to ask the gentleman this question. Is it not a fact that if we defeat the amendment that is now pending, the Department of Agriculture will dispose of these camps to the local communities, and they can handle them themselves and accomplish the very thing that all of us desire to accomplish by this legislation?

Mr. COOLEY. Exactly. That is what we want to do. Let the States and the local communities operate them.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOEVEN. Is it not a fact that the Government agencies themselves recommend the liquidation of these camps? The only reason they have not been liquidated up to this time is that they said it took time to do this, and for that reason the Committee on Agriculture has simply extended this for a year. We have been most insistent in liquidating them at the earliest opportunity. I do not think there is anyone who will contend that these camps should be continued, except some of the people interested in two or three States.

Mr. COOLEY. That is right. I have had people from California call me within the last week asking that this amendment be defeated and that the liquidation of these camps proceed.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. POAGE. The gentleman from Iowa [Mr. HOEVEN] and the gentleman from North Carolina [Mr. COOLEY] mentioned that there were two or three States interested, and the gentleman named the State of Texas. May I suggest that it is my belief that the people of the State of Texas would like to have this matter turned back to the local authorities, and not turn these labor camps over to some kind of rural slum proposition. We want to continue them locally as a local proposition.

Mr. COOLEY. I thank the gentleman.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOPE. I understand the Committee on Banking and Currency held no hearings on this matter and has never given any consideration to this particular problem. Does the gentleman know anything about that?

Mr. COOLEY. No; except that I have been told the hearings were very short. They did not go into the matter. Certainly the new members on the committee did not take the time to read the report of the special committee which made the investigation.

Mr. HOPE. Now this is a matter on which the Committee on Agriculture has conducted exhaustive investigations and prolonged hearings for many years, in an effort to work out a sound solution of a most difficult problem.

Mr. COOLEY. The gentleman is entirely correct. In making that investigation our committee visited these camps and communities and discussed the situation with local people. I can tell you now that our former beloved colleague, Mr. Zimmerman, of Missouri, asked one of the managers of one of these camps this question. He said:

"I want to ask you, Is this camp needed now here, or has it ever been needed?"

And the answer was, "It is not needed now, and it has never been needed."

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

Mr. SPENCE. Mr. Chairman, I wonder if we can agree on time to conclude the debate on this amendment and all amendments thereto.

I ask unanimous consent that debate on this amendment and all amendments thereto conclude within 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE].

Mr. NICHOLSON. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair noted the following Members seeking recognition at the time the limitation agreement was entered into: Messrs. PHILLIPS of California, WERBEL, SCUDDER, BRAMBLETT, HOLIFIELD, CASE of South Dakota, GATHINGS, KEEFE, JOHNSON, POAGE, MURRAY of Wisconsin, ABBITT, MULTER, and Mrs. DOUGLAS.

Mr. HILL. Mr. Chairman, I was seeking recognition.

The CHAIRMAN. The gentleman's name will be added to the list.

The Chair would like to inquire of the Members seeking recognition on this amendment which of them have amendments to offer to the committee amendment?

Mr. PHILLIPS of California. Mr. Chairman, I offer an amendment.

Mr. SCUDDER. Mr. Chairman, I have an amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS] to offer his amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS of California to the committee amendment: Page 51, line 15, after the word "amended", strike out the period, insert a comma, and the following: "Provided, That when existing projects are owned or operated by nonprofit associations of farmers this ownership or operation shall not be disturbed by the terms of this section."

The CHAIRMAN. The gentleman from California is recognized.

Mr. PHILLIPS of California. Mr. Chairman, how much time have I?

The CHAIRMAN. About a minute and a quarter.

Mr. PHILLIPS of California. Mr. Chairman, it is obvious that this matter was not considered in detail by the Committee on Banking and Currency.

It affects housing which has been built and maintained in the rural areas and is now used for the housing of farm labor. It takes that farm housing and makes it general housing. It requires the creation of a new housing authority. It would perpetuate a situation the Congress is trying to correct.

My amendment would require that where, in California, Texas, Colorado, or Arizona, or elsewhere, nonprofit organizations of farmers who are already operating these housing projects and maintaining them, that they should not be disturbed.

I am opposed to the entire amendment; I hope it will be taken out of the bill by a no vote, because I believe it is perfectly obvious from the discussion al-

ready had on the floor in which the chairman of the Committee on Agriculture this year, and the chairman of the same committee last year, have both taken part, that it is not a subject to be brought before the House today in connection with a housing bill without a great deal of discussion. I am sure the House does not want to agree to it. The section should not be in this bill. I was of the opinion that a point of order would lie against it, but I understand the point of order was overruled.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the amendment offered by the gentleman from California [Mr. PHILLIPS].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 76, noes 61.

Mrs. DOUGLAS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BUCHANAN and Mr. PHILLIPS of California.

The Committee again divided; and the tellers reported that there were—ayes 155, noes 115.

So the amendment to the committee amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mrs. DOUGLAS].

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent that the time allotted to me be yielded to the gentleman from California [Mrs. DOUGLAS].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MULTER. Mr. Chairman, I ask unanimous consent that my time be yielded to the gentleman from California [Mrs. DOUGLAS].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mrs. DOUGLAS. Mr. Chairman, I beg the close attention of the Members of the House. There are between two and one-half and three million migrant farm workers in this country. In California alone there are approximately 350,000 migrants. Migrant farm labor is not protected by social legislation that protects other workers. They are not covered by the social-security law; they are not covered by unemployment compensation; they are not covered by the wage-hour law. The children of migratory workers, for the most part, are not able to go to school. They do not have roots in any community. When they are sick, they cannot go to the county hospital. They do not qualify. Illness is a constant danger. The United States Public Health Service has found that migratory workers and their families suffer from disabling illnesses at a far higher rate than the rest of the population. Is it any wonder?

And yet we need these men and women to harvest the crops.

The amendment we are discussing affects the lives of these migrant workers. The amendment transfers migratory labor camps from the Department of

Agriculture to the Public Housing Administration for use as low-rent housing projects for the migratory farm workers who make up a part of the rural nonfarm population. The amendment if enacted into law will repeal Public Law 298 and provisions of the Farmers Home Administration Act which require the Department of Agriculture to liquidate the Federal Government's migratory labor camp program. If this amendment is not passed, the Department of Agriculture will be compelled to sell any migratory labor camps remaining in its hands on June 30, 1949, at public auction to the highest bidder, with no assurance that they will be used to house migratory farm workers in the future.

The bill before us is a housing bill—a housing bill that seeks to clear out the slums of America and provide decent homes for those who are in the greatest need. The men, women and children I am talking about live on the ditch banks, in squatters' camps. Water is a luxury to them. They are not living in slums; they have no homes.

These families deserve above all others the consideration of this Congress.

The crops of this country—the food we eat—the clothes we wear—are drenched with the blood and tears of the men, women and children who harvest our crops. They can bring no pressure to bear on this Congress. They have no votes. They have no one to speak for them.

Bill after bill is passed in Congress to aid the farmers and rightfully so. Are we to do nothing for migratory farm workers? Is this justice?

These camps were first established in 1935. Reports of the Industrial Relations Department of the State of California showed that "conditions similar to those of 1935 exist today in Kern County, where a tremendous influx of migratory labor is arriving to work in the potato fields. Many of the growers make no provision whatever for housing their crews who, therefore, are camping in back yards, on roadsides, and on ditch banks with meager type of sanitary conveniences."

Disease is again breaking out in the valley—dysentery and diphtheria. Hundreds of migrant families are again being moved from one county to another by health officers. Is the Congress to ignore all this?

This amendment has the support of the administration. It has the support of the Department of Agriculture and the Department of Labor. In California the entire Democratic Party, the Grange, the Veterans of Foreign Wars, organized labor, Protestant church groups such as the Homes Missions Council, the National Catholic Rural Life Conference, all support a migrant farm-camp program.

The only people opposing the farm-camp program are a few Associated Farmers. If we followed their philosophy we would not long have a strong, dynamic democracy in this country.

This amendment does not provide for the building of new camps. This amendment, if adopted, will save 43 camps that still remain under the Department of

Agriculture as homes for migrant workers.

The argument of those who oppose the committee amendment is that they want the camps operated locally. That is exactly what this amendment provides. But that is not what the opponents of this amendment really want. They want to take these people who literally live on the ditch banks, and press them down lower and lower. They are not people to them. They are a commodity to be exploited.

We appropriate billions to stop communism all over the face of the earth and yet there are those who counsel us to turn our backs on conditions that breed unrest and strife here at home.

Wake up!

Mr. HOLIFIELD. Mr. Chairman, will the gentlewoman yield?

Mrs. DOUGLAS. I yield to the gentleman from California.

Mr. HOLIFIELD. Is it not true that if this amendment is not adopted the big factory farms in California can buy on the block at very small cost these camps, and then only allow those workers to live in them that they will work on their farms at whatever prices they wish to pay?

Mrs. DOUGLAS. Of course. And that is exactly why some would like to see this amendment defeated.

Today in California the same conditions are developing as we had in 1935. Again, labor contractors are urging migrant farm labor to come to certain areas. They come into a county but find there is no place to be housed, and that there is no work. Labor is cheap when there is a surplus of labor. I repeat, this amendment does not build new camps, it saves the 43 camps that still remain, not only in California, but in 7 other States. It puts them under the local housing authorities. It gives to the migrants the same protection we give to other low-income groups in this country. I appeal to the good common sense of the Members of this House to support this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. WERDEL].

Mr. KEEFE. Mr. Chairman, I ask unanimous consent that my time be transferred to the gentleman from California [Mr. WERDEL].

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WERDEL. Mr. Chairman, I happen to represent the southern part of the San Joaquin Valley, including Kern County. I speak now not for the Associated Farmers but for the farmers of that county who want to run their own business and do not want it run backhand from some other parts of the country, or either the Nation or the State.

Several of these camps involved here are in my district. None of them is in the district of the gentleman who presented the committee amendment. So I want you to understand that I speak from realities and experience.

First, let us admit that these camps did good during the war. They took

care of the transient workers that needed care. But when they did that good they went into rural communities and centralized numbers of people in school districts, and created problems that the tax base would not stand. During the war you passed bills such as the Lanham Act and others that took care of those temporary war costs, but now, these people are living in one area, one school district, and working 20 miles away in another school district, under employment that has a different tax base than that which educates their children.

So you see it has created a local problem. If we are to handle the matter intelligently we should get these improvements back on the tax rolls. That was the plan, as I understand, the intention of the Eightieth Congress.

When the war was over, it is true that these projects could have been sold under the hammer under Public Law 731, but the Bramblett Act was passed to permit the Department to enter into commitments with nonprofit local agencies to operate these camps or to sell them. I have the minutes here of 30 men—not associated farmers, who met last January expressing among themselves as members of these boards that they had made their offers to the Department, but they had not been considered. They want to buy them. They want to operate them. They know it is a local problem and know it must be handled as such. Now the Bramblett Act has been extended 1 year; so it is untrue to say that on the 30th of this month these structures will be sold under the hammer.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, we all recall the grand old Duke of York who had 10,000 men and marched them up a very steep hill and then marched them down again. The Congress appointed a special committee, headed by my distinguished friend and chairman, the gentleman from North Carolina, Hon. HAROLD D. COOLEY, who investigated this very matter. I was not a member of that committee, but I think that committee did as fine a piece of work as has ever been done by any investigating committee of the Congress. They brought in a report and recommended that the Federal Government get out of the operation of these camps. For four long years we have repeatedly extended the time for terminating the Federal operation. We have not done the thing that the gentlewoman from California suggested was going to be done or the thing which she fears we intend to do, to turn these camps over to the Associated Farmers of California, or any other private interest simply to make money out of them. We have specifically required that before anyone could purchase these camps and could get control of them, they must enter into a commitment that that camp would continue to be operated so as to provide housing for farm labor.

Mr. GATHINGS. Mr. Chairman, I ask unanimous consent that the time allotted to me be given to the gentleman from Texas.

Mr. BRAMBLETT. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from Texas.

Mr. HILL. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from Texas.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. POAGE. Mr. Chairman, I appreciate the additional time. I believe this is a matter which is so clear that most of the members of the committee will understand it and understand it quickly. The problem is: Are we going to perpetuate a program which was established as a social reform and maintained as a war institution?

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I gladly yield for a question.

Mrs. DOUGLAS. The camps were built under the authority of the Emergency Relief Administration of 1935. Smallpox had broken out in the Imperial Valley in 1937, it spread up to the great San Joaquin Valley. The Government had to step in. Conditions were critical. In the years 1937 to 1940 the Government built houses for the migratory workers—the men, women, and children who harvest our crops.

Mr. POAGE. The gentlewoman is making a speech. I thought she wanted to ask me a question.

Mr. Chairman, the camps were established as a part of the old Farm Security Administration under one Beanie Baldwin and Dr. Will Alexander. Now, if you want to know who established these camps, those are the gentlemen who established them. They established them in the promotion of a social philosophy and not for the promotion of hygiene, or the suppression of smallpox. California was the only State that suffered from that disease but the camps were built on a national basis. These camps were established for the purpose of creating a type of governmental philosophy that was held by the gentlemen who at that time headed that organization. The people of the United States, through their representatives, and I think through their direct statements, made it rather plain that they did not intend to support that type of philosophy. Surely they did this in the recent election, in which the candidate of one of the founders of these camps received less than 2 percent of the vote of the people of the United States. These camps were founded to promote that philosophy. The people repudiated that philosophy. The Congress repudiated it after due and thorough investigation. The Congress said, "We want to spend our money only to maintain farm labor camps as long as they are needed to promote the war effort." But the war is over. The additional production of farm products is no longer needed. On the contrary, we are faced with the question of what we are going to do with the ever-increasing production of our farms.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Not at this time.

It does not make sense. The things we needed during the war to increase production are not the things we need today when we are faced with agricultural surpluses. The things advocated by those who want to impose upon us the social philosophy of Mr. Baldwin, are not the things that free people need to maintain democracy. What we need is to place these camps in the hands of the local communities, make them responsible, and operate them for the housing of agricultural labor, and not for the housing of people from the towns who do not intend to do any farm work. Under the committee amendment we would but revive the old farm security communities of Mr. Baldwin. We would but move city slums to the rural areas. Let us avoid such an unfortunate development. Let us defeat the proposed committee amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, it is evident that this matter has received consideration by the Committee on Agriculture. It is also evident that it has not received the consideration of the Committee on Banking and Currency in the same degree. By the statements of Members on both sides of the aisle, it seems to me it should be left to the Committee on Agriculture.

I hope the amendment will be voted down. If I have any time remaining, Mr. Chairman, I yield it to the gentleman from California [Mr. SCUDDER].

The CHAIRMAN. The gentleman has one-half minute remaining.

The Chair recognizes the gentleman from Virginia [Mr. ABBITT].

Mr. ABBITT. Mr. Chairman, I will necessarily be brief. But I would like to point out this fact: That we have a law that provides for the orderly disposition of these farm labor camps. Only recently the Congress has extended that law 1 year, which means that the Secretary of Agriculture has 1 year in which to dispose of these camps to public, semi-public, and farm organizations, that those camps may be run for the purpose for which they were created, farm labor. I hope that will be understood. It is not a question of trying to do away with these camps, cutting them out and allowing those people to be washed down the gutter, as might be indicated. But this matter has been thoroughly studied. I trust the law that was passed in 1947 will be allowed to take its usual course and hope that it will be the pleasure of this Committee to vote down this committee amendment which gives these camps to the Federal Public Housing Authority with permission to operate them as public houses with the bill to be paid by the taxpayer.

I am opposed to this entire bill, believing it unnecessary, not needed, and too costly.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, we have had a lot of heat on this problem,

but I do not know why we need to get all "het" up about it. All we want to do is give the small farmers, and not the large farmers, a chance to buy these camps and run them themselves so their migrant laborers may have proper housing. I am talking about the little farmers that raise cherries, peaches, prunes, plums, grapes, and all of those perishable crops. They can handle the problem much better than some of these professional people who run these urban housing projects, and by farmer operation give much better results to the laborers and farmers.

The curious thing is that the Associated Farmers are the ones who in many instances have adequate housing facilities. I am anxious to get decent places to live in for these people from other parts of the country, who come to California to pick our perishable crops. The man who analyzes the statistics on that problem told me that thousands of Okies and Arkies who formerly were migrants are now landowners in California. So, conditions are not quite as tough as some people would make you believe, although I want them improved and think the Bramblett bill will result in better housing facilities as well as administration.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, I yield back my time.

The CHAIRMAN. The gentleman from California [Mr. SCUDDER] is recognized.

Mr. SCUDDER. Mr. Chairman, it is an anticlimax to follow the gentleman from Texas [Mr. POAGE] who has made a fine explanation of this entire proposition, but I do know something about these units; two of them are in my district. Let me state, for the benefit of the membership, that when the farmers in California took them over these housing units were very badly run down. The farmers have rehabilitated them at their own expense and out of them have made decent places for people to live. They have run them profitably and fairly.

I trust that this type of amendment will be left out of this bill.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MCKINNON].

Mr. MCKINNON. Mr. Chairman, the real issue is whether this housing shall be preserved and continued in its present use. If you will take the trouble to read the bill you will find it disposes of these various housing projects to local agencies to use for migratory workers. The real trouble, as you know and I know, is that the little farmer is not going to be able to step in and buy these camps; it is going to be the big operators who buy them; and what we are striving to do with section 208 is to be sure that the administration of these camps goes to local agencies and does not fall into the hands of an employer to be used as a condition of employment.

I have here a letter from the Secretary of Agriculture, Charles Brannan, in which he endorses this transfer and thinks the amendment is a sound one

and should be carried. I shall place the letter in the Record.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE] to close the debate.

Mr. SPENCE. Mr. Chairman, I yield back my time.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. HOLIFIELD) there were—ayes 35, noes 133.

Mrs. DOUGLAS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PATMAN and Mr. WOLCOTT.

The Committee again divided; and the tellers reported that there were—ayes 99, noes 158.

So the committee amendment was rejected.

Mr. SPENCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: On page 48, line 1, strike out the words "by inserting after" and strike out all of lines 2 and 3, and insert the following: "to read as follows:

"(2) Any contract for loans, annual contributions, capital grants, sale, or lease pursuant to this act shall contain a provision requiring that not less than the salaries or wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Authority, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development, and to all maintenance laborers and mechanics employed in the administration of the low-rent housing or slum-clearance project involved; and shall also contain a provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (49 Stat. 1011), shall be paid to all laborers and mechanics employed in the development of the project involved; and the Authority shall require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract."

Mr. SPENCE. Mr. Chairman, this amendment is merely supplementary to the amendment that was adopted yesterday providing that the Department of Labor should fix the wages of laborers and mechanics in slum-clearance projects, and this now applies the same rule to the low-rent public housing projects. I am sure there is no objection to it, inasmuch as a similar amendment was adopted yesterday.

Mr. IRVING. Mr. Chairman, I again rise in support of the amendment offered by the distinguished chairman of the Banking and Currency Committee. In effect it is the same as the amendment which I supported yesterday and was then adopted by this body. It deals with establishing of the prevailing wages in each community for laborers, mechanics, and other types of workers on construction projects under this housing bill. The establishment of these wages will be accomplished by the Bacon-Davis Division of the Department of Labor under the terms of the Bacon-Davis Act. In making reference to the previous adoption of a similar amendment, I specifically refer to section 109, page 18, line 21, and page 19, lines 1, 2, and 3. Now

of course, it follows that to make this legislation consistent it is necessary and advisable to adopt the amendment now being offered as properly related to page 48 of H. R. 4009. The adoption of these two amendments means a great deal to the construction industry as well as the workers employed in it. It will tend to eliminate confusion and the manner in which the rates are established will be fair and reasonable. It will mean good and just wages for those employed, thereby benefiting each community through the maintaining of decent living standards as well as the continuance of adequate purchasing power of the workers. It must be realized that this is absolutely necessary to our national economy at this time. I am sure that everyone will agree that it will also be helpful because it will supply better and more efficient workers for the housing construction, reducing the costs with much over-all saving in the long run. It will make available more experienced and better qualified workers who can produce a more satisfactory quality of workmanship. This, in turn, will give longer life and more permanence to any structures or buildings with less maintenance costs and repair work thereafter. I hope that this second amendment will be adopted or agreed to. I feel that such sensible action and realistic approach by the Members of this House must be favorably looked upon and appreciated by all.

Mr. SPENCE. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. SPENCE].

The amendment was agreed to.

Mr. SPENCE. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE:

Page 41, line 12, strike out "\$80,000,000" and insert in lieu thereof "\$55,000,000"; line 13, strike out "\$75,000,000" and insert in lieu thereof "\$58,000,000"; line 15, strike out "\$400,000,000" and insert in lieu thereof "\$308,000,000"; line 19, strike out "\$80,000,000" and insert in lieu thereof "\$55,000,000."

Page 42, lines 9 and 11, strike out "one hundred and fifty thousand" where such appears in each place therein and insert in lieu thereof "one hundred and thirty-five thousand"; line 13, strike out "1955" and insert in lieu "1954"; lines 14 and 15, strike out "one million and fifty thousand" and insert in lieu thereof "eight hundred and ten thousand"; line 18, strike out "one hundred thousand" and insert in lieu thereof "sixty-five thousand"; line 21, strike out "one hundred thousand" and insert in lieu thereof "eighty-five thousand."

Page 43, lines 4 and 5, strike out "one million and fifty thousand" where such appears therein and insert in lieu thereof "eight hundred and ten thousand."

Page 48, line 6, strike out "\$428,000,000" and insert in lieu thereof "\$336,000,000."

Mr. SPENCE. Mr. Chairman, before the pressure became strong, and acting under their free and uninfluenced will, the Senate passed the housing bill by a vote of 57 to 13. That housing bill is before this House. I have made the provisions of this bill conform to the Senate bill.

This amendment reduces the units from 1,050,000 to 810,000. It reduces

the authorized yearly subsidies and contributions from \$400,000,000 as a maximum to \$308,000,000 and makes it a 6-year program instead of 7. This makes the bill conform exactly to the Senate bill. If this amendment is adopted, there will be little to consider in conference.

There has been complaint about the authorized amount to be expended to carry out the slum clearance and the subsidized low-rent housing. If the program does not have merit, we ought to contribute nothing. If the program has merit, and the people seem to think it has and the overwhelming vote of the Senate indicated that the Senate thought it has, then I think those who claim that the expenditures under the introduced bill are greater than we can bear should heartily approve of this amendment.

This amendment will carry out the program and do it with somewhat less expenditure than originally provided, and in addition will conform to a bill that has already been passed.

The amendment also reduces the acceleration provision of the bill introduced in the House, which is 100,000 units, to 65,000 units per year.

These provisions will be ample to justify or fail to justify the theory upon which we are now embarking. I do not think this is a socialistic program. I know of nothing that did more for the American people than the Home Owners' Loan Corporation. It gave certain citizens advantages, because of the predicament in which they found themselves, over the other citizens of America, yet everybody had to pay their proportion for that. As you look through the length and breadth of this land you see hundreds of thousands of people who have homes today because of the help that was given them during the depression, when the Government really took over their mortgages and extended their time and gave them an opportunity to earn enough to purchase their homes.

This is somewhat the same character of problem. It is true the people will not be home owners, but they will be renters. They will have the same rights within the house they will rent as if they owned it. It will put a roof over their heads, it will give them a home for themselves and their families, it will give them an added dignity, and it will give them an added assurance and added hope.

I do not think there will be any doubt of the ultimate vote on this bill.

You who do not like it certainly can vote for some reduction. Further reduction, I think, would mean sabotaging the program. But this amendment is introduced in order to conform to a bill which has been overwhelmingly passed by the other body and a bill which we know, if the amendment is adopted, we can go to conference on, and bring back a conference report which will meet with the approval of the House.

Mr. COLE of Kansas. Mr. Chairman, I offer an amendment to the amendment offered by the distinguished gentleman from Kentucky [Mr. SPENCE].

The Clerk read as follows:

Amendment to the amendment offered by Mr. SPENCE, offered by Mr. COLE of Kansas: On page 41, line 10 after the word "than"

strike out "\$85,000,000" and insert "\$34,000,000"; and in line 12, strike out "\$80,000,000" and insert "\$32,000,000"; and in line 13, strike out "\$75,000,000" and insert "\$30,000,000"; and in line 15, strike out "\$400,000,000" and insert "\$160,000,000"; and in line 19, strike out "\$80,000,000" and insert "\$32,000,000."

Mr. COLE of Kansas. Mr. Chairman, I read from the text of a letter from the President on housing addressed to our Speaker, which letter is dated June 17, in which the President said:

I have been shocked in recent days at the extraordinary propaganda campaign that has been unleashed against this bill by the real-estate lobby. I do not recall ever having witnessed a more deliberate campaign of misrepresentation and distortion against legislation of such crucial importance to the public welfare.

He further said:

The real-estate lobby claims that H. R. 4009 will cost the Federal Government \$20,000,000,000.

Then he continues:

This is an exaggeration of approximately 100 percent. The actual cost of the bill will be about \$10,000,000,000 spread over a period of 30 years.

Mr. Chairman, the amendment I have offered is in line with the President's suggestion concerning the cost. The amendment offered by the gentleman from Kentucky is the figure proportionately based upon the reduction of units which was in the original bill H. R. 4009. But I have taken the President's suggestion. He said the original authorization was 100 percent too much. So I say let us authorize only the amount of money that we need. Of course, it is human to make mistakes and if the President and the administration have asked for double the amount of money that they need, now let us authorize only the exact amount of money needed.

My amendment provides for exactly the amount of money they need, according to the President.

In that connection, Mr. Chairman, I want to call your attention to where we are going. If he authorize the building of 100 public housing projects, the picture is exactly the same as if we authorize 810,000, because in this country today there are 3,700,000 families with an income of \$1,000 or less a year. That is one-tenth of the population of the United States. The lowest 20 percent of the families in the United States number 7,455,800. Their income is approximately \$1,600 a year or less.

So, Mr. Chairman, we are beginning a program here today for a few people in the lower-income bracket. If we do that, Mr. Chairman, we will eventually be faced with the possibility, not only the possibility, but the definite probability, that low-rent subsidized housing will be demanded for the lower 20 percent of the families which will be 7,455,000, at a cost of over \$111,000,000,000.

If the President believes in what he says here, and I know that he does, and if the administration is honest in what they are asking for here today, and I assume they are, then there is no reason whatsoever why this amendment of mine should not be adopted. If it is not

adopted the administration and the committee are saying to the people, "We are asking for double the amount of the authorization which the President of the United States says is not necessary."

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. MULTER. If we adopt your amendment will you vote for this bill?

Mr. COLE of Kansas. No.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. JOHNSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON. Mr. Chairman, the underlying fallacy of this act is that if people have houses, better than their income would justify, they would be happier. Running through all the argument for the bill is the idea that giving more physical comforts will make for more happiness, will reduce delinquency, and will bring more satisfaction.

I challenge this reasoning. Experience teaches us that merely having more money or more comforts does not necessarily make for more contentment or more happiness. Of course, I admit that when people live in totally inadequate quarters and in abject squalor, which is no fault of theirs, giving them better living conditions will make them happier. But the fallacy that we make so often—and it has been made here many times in this debate—is to judge the effect on the people whose standards are different than ours. Because, to us, some of the conditions under which people live would mean misery, it by no means indicates that the people are really miserable. I can best illustrate this by my own personal experience, which I am sure can be duplicated by many others who are Members of the House. We never had a bathroom, in the modern sense, till after I got through high school. As small boys we were bathed in a wooden stove tub, two of us with the same water and the other two with a change of water. Our mother kept us clean and we were happy. Yet, many people now would think that was deplorable, that we were living in terrible slum conditions. The same is true of the sanitary facilities—all of which were outdoors. But we were happy; we had a chance to go to school; we had a chance to work to make money to clothe us and also attend school; we then later worked in box factories, sash and door factories, and sawmills, making enough money to go through high school and later to college. Why were we happy? Because we had opportunity to go ahead. We did not need to depend upon anyone else. We never dreamt of others or the public taking care of our needs. We found a way to meet them. If necessary we lived on less and we always looked to ourselves to make things better. We would feel ashamed to take help, except in extreme cases, which never occurred.

As I look back on these days, we and our neighbors, I can truthfully say, were happy and cheerful. We did not envy

anyone, nor did we hate people who had more than we had. Our mother and father taught us that.

Look back over life and I think every one of us will realize that the things that gave us happiness and pleasure were not merely having more physical comforts and money. It was that we had an even chance to forge ahead, to do the things we wanted to do and to handle them ourselves. At times we had help in the way of loans for our college education. But it was all paid back with interest and only amounted to slight amounts.

Many commentators, and some by their arguments on this bill, have given the impression that if we can simply make a bigger and better house for someone, even if the public has to pay part of the bill as a subsidy, presto, more happiness will follow. It simply does not work that way, judged by my own experience.

Some have made the argument that all this subsidizing will reduce delinquency and will make for a stronger family life. I doubt that. What is the great problem of today, on which the whole future and stability of this country may depend? It is the gradual disintegration of the American family by easy divorces. A divorce, in my book, is the greatest American tragedy. Partly it is caused by our crazy laws. Is this evil largely prevalent in family with very low income? We all know it is not. The well-to-do, the rich, the prominent are the greatest sinners in this regard. A person's marriage should be the apex of his life. It should be the moment of greatest hope and happiness. Why? Because from that time on you are tied to a partner for life. You bind yourself for better or for worse to live with the one you love. When that goes on the rocks, all else becomes tinsel. But think particularly of the children who should have the example of a happy, united, and harmonious home. When the divorce comes, that weakens the ideas of those young loved ones, who in the future will be the fathers and the mothers of this Nation. When their marriage comes, they are already weakened by example. When little trivial things arise they will probably remember that papa and mamma did not get along, and got a divorce, so why should not they. Is that among these families that you are all weeping such bitter tears over? Not at all. Those people struggling on small incomes are the ones that stick together and make the grade; at least their children do. Scarcely anyone in this country is fighting this problem aggressively except the Catholic Church and the Seventh-Day Adventists. The Catholic Church simply will not recognize a divorce. Our crazy laws then come along and help the transgressors get the divorce that they really should not have. The divorce is the great cancer weakening American families, the great stabilizer of our social system.

Give the people too much and you weaken them. They get used to looking toward the Government to take care of them. When I was a boy—the son of a lumberjack—when we got in trouble we said to ourselves: "How can we handle

this?" We did not say, "Where is the mayor, where is the relief officer, or where can I find a Congressman?" We relied on ourselves. I know there are exceptions where society must take a hand; but, my friends, they are the exception. Give the people a chance and they will work themselves out of their difficulty, and you will at the same time develop sturdy, independent, self-reliant, and self-supporting Americans. You cannot do that by a "give-me system" that treats people as paupers, wards of the state, and emphasizes their inferiority.

Slums: Yes, we should help clean them up. If you would give me a chance to vote for that part of the bill I would be glad to do so. The people in the slums—especially those in the large cities—are trapped. We must find some way to help them. The cities could, but perhaps they will not. At any rate I saw slums in New York 30 years ago and I presume they are still there. Perhaps our National Government should go to their relief if New York will not. But do not pauperize all those people by subsidizing the people, regardless of their particular situation. It will kill their desire to get ahead on their own efforts. You will kill off that great thing that has built America, the chance to make good by your own work and initiative.

Loans: Yes, they are fine. We have the finest program of this kind in the United States in California. It is the program of the California Veterans' Welfare Board. Conceived in the early twenties it has loaned hundreds of millions to veterans. Every cent will be paid back by the borrowers—the veterans, including the cost of administration. They built their own homes, because a grateful State provided them with low interest terms, easy long-term payments, and excellent advice on the buy that each made, either of a house already built or one that the veteran himself had built. There you have something that stimulates the desire of the veterans to be independent; to stand on his own feet; to take care of himself if he is given the opportunity. I am surprised that those 22 Democrats who put in bills providing for loans at cheap interest rates did not vote for Mrs. BOLTON's bill, which contains a loan provision.

I have been for public power; roads, flood control, and so forth. But those are entirely different than subsidies. They are the harnessing of great natural resources, open to all who are able to use them. They do not specially benefit any one individual; they are for everyone qualified to use them. They are not things in which the Government comes out and practically tells you that in free America, you are in such bad shape that the Government must chaperone you, give you money, and provide for you, so you may live decently.

I recently took a census of the Members of Congress to determine how many of its members had one or more parents who migrated to America. Sixteen and seventy-five hundredths percent have a parent or parents who came to America to start life over. One out of every six members of Congress, 89 in all, came from such homes; where they had a

chance to hear about the opportunity America offers as distinguished from the opportunities in the old country. Most of these migrants—as my father did—came in steerage. Some of them never got beyond the stage of being a workman with his hands. But their sons had a chance—not through subsidies—but through opportunity to work and learn and save and acquire property. And here they are in Congress a symbol of what America can do to those who want to work. We never got nor did we want any subsidies. I will mention one, whom I do not think many of you can identify, who to my mind typifies this group and who is a symbol of what America offers. His father came over in steerage from Europe. Then he worked as a laborer. He had six or seven children, one of whom sits on this floor and everyone of you that know him respect him highly. Here is what that family turned out—without subsidies and without financial aid from the Government—a priest, an Army officer; a high county official; a Congressman; a great lawyer, holding an important Government job; and the others have been successful in the civilian economy. They were not money crazy; they did not want anyone else to build their houses for them. All they wanted was a chance and every one of them got it and made good. All of them are happy and all but one have and are raising happy contented families. All of them but one are married and now living with their first love—the mother of their children. These are the kinds that built and are building America and conquering the new frontiers of America. They want more homes for our people; better educational advantages; sturdier and more moral children; citizens who will respect our Government and thank God for it and men and women who will have religion and practice it in their daily life. They don't want anything for nothing and never did. They are the kind that made America great. They want America to continue as the land of opportunity that develops sturdy and strong citizens who are intelligent and balanced enough to realize what America means for every person in it, who is willing to work. Yes, and they want to help those who are unfortunate, not because of their own indolence, but by circumstances under their control. But that help should only be enough to get those unfortunates to a place where they can help themselves.

I hope I can vote on the bill later on that will give liberal, low-interest loans to veterans who want to build homes. That is real help that will build sturdy citizens and not citizens who will be pauperized by Government subsidies and interference in the private lives of individuals, which helps may act as road blocks to the development of sturdy self-reliant citizens, such as made this country what it is.

Mr. O'BRIEN of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, H. R. 4009 in its provisions for slum clearance residences and public housing aims to help the lower-income families who are renters. It happens that about half the families in the

Nation rent their homes and the other half own their homes. There can be many reasons why a family rents rather than purchases, and probably the most common reasons are that they have not established their income sufficiently to afford a down payment on the purchase of a home.

For the last several years new construction has gone into providing homes for sale rather than for rent. In spite of the fact that 1948 was the best year in a long time for home construction, and more than 950,000 dwellings were built, only 17 percent of them were for rental occupancy, although renters constitute about 50 percent of the dwelling occupants. During this time builders had the added incentive of having new construction freed from rent control. This bill provides the machinery whereby private capital, through the purchasing of housing bonds, can be drawn into the field of rental construction for the lower-income families, and thus make further rent-control legislation no longer necessary. Without legislation such as this, it is clear that private capital will not go into the field of construction for the needed rental units. This need, too, exists on a national scale among the various cities and States, and more than 450 local housing commissions throughout the Nation. It is therefore important that the Cole amendment be defeated and that the amendment, which slashes almost 25 percent from the program by reducing 240,000 dwelling units from the plan, should also be voted down.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. O'BRIEN] has expired.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we should have in mind in voting on this amendment this very salient situation. I cannot understand why they have agreed upon this magic figure of 810,000. Neither have I ever been able to understand how they arrived at the figure 1,050,000, unless it was purely arbitrary.

According to the statements made, and according to the statements made elsewhere in behalf of this bill, the million units would take care of only about one-seventh of the families which come within the category of those allegedly benefited by this act. Of course, it is very obvious that a reduction from 1,050,000 to 810,000 is to try to appease somebody who thinks that the program is too large now.

But let me reiterate what I said the other day, that there are 7,455,800 families who, because of their income being \$1,600 and under—and, parenthetically, I might say there are 10,000,000 families which have an income of under \$2,100—but using this other figure and being conservative about it, it seems to me you are going to attract this program to the American people, and if you are sincere in the argument that you use for it, you should multiply the 1,050,000 by 7, instead of cutting it, because it would take 7 times that 1,050,000 to do the job. Seven times the \$16,000,000 I called attention to the other day is a matter of \$114,000,000.

The testimony of the so-called progressives before the committee was to the effect that if we once established this as a matter of policy they would see to it that there was political pressure enough brought to bear upon the communities in the years to come to expand the program sufficiently to take care of all of the people within this category. So, by legislating as a matter of policy today, it does not make any difference whether you provide for 50,000, 100,000 or 500,000 units; after you have once established as a matter of policy that there is the obligation on the Federal Government to go into this field, then either you or your successor who will campaign on this admission is going to see to it that this program is expanded sufficiently to take of everyone. Let me reiterate also that there is not anything in this program which will affect any areas outside of possibly 10 metropolitan areas. I say that because only 10 percent of this program can be utilized in any particular State, and it is not hard to count 10 States which have large metropolitan areas. They are the only ones which are going to participate in this program. Those of you who live outside of these metropolitan areas must vote for an expansion of this program 7, 8, perhaps 10 times before your localities will be able to participate in the program.

I understand also that this \$16,000,000 which has been talked about is only two-thirds of the program; that in reality it is a \$24,000,000 program; \$8,000,000,000 must be raised locally.

The CHAIRMAN. The time of the man from Michigan has expired.

Mr. SPENCE. Mr. Chairman, I wonder if we cannot agree on time to conclude debate on the pending amendment and all amendments thereto; I ask unanimous consent that all debate on the pending amendment and all amendments thereto close at 1:50.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Debate on the pending amendment and all amendments thereto will close at 1:50. During this time the Chair will recognize the following Members: Messrs. MULTER, SABBATH, MONRONEY, NICHOLSON, BUCHANAN, O'BRIEN of Michigan, REES, ANGELL, JAVITS, and SPENCE.

The gentleman from New York [Mr. MULTER] is recognized.

Mr. MULTER. Mr. Chairman, the amendment offered by the gentleman from Kansas [Mr. COLE] is just another one of the many crippling amendments that we have been offered since we started consideration of the bill. The arguments that are being made against this bill are getting into the sphere of absurdity and silliness.

The gentleman from Kansas purports to quote the President as saying that the authorization asked for in the bill is 100 percent too much. The President did not say that. He said that the opponents of this bill were exaggerating the estimated cost at 100 percent more than it would actually cost. The President did not suggest that the bill sets a cost

that was 100 percent more than is needed.

The effort here to cut in half the appropriation or the allocation of funds for this program is another attempt to make it impossible to fulfill the program. There is no magic in these figures, I may say to the gentleman from Michigan. Obviously, what we have done is to come forward with a compromise figure. The other body set forth 810,000 units in its measure. By adopting the amendment urged by the chairman of the committee now we will be putting in the bill the same figure, 810,000 units.

To those who say we do not know where we are going with this legislation, and that it solves none of our problems, let me point this out to you. If you take the same attitude with reference to the Public Health Service, since we are only spending \$110,000,000 a year for public health we ought to forget about public health and save the money because we are not solving the public health problems of the country with so little money. The same may be said with reference to the educational problems of the country. Why not just forget about education. Federal aid of \$300,000,000 will not educate our children.

The same situation exists here. If you do not want to do anything about the housing situation, stop offering crippling amendments and let us vote the bill down, if that is the way you feel. I am sure the majority of the Members of the House feel otherwise about this housing bill.

EXPERIENCE PROVES THAT THE CONSTRUCTION OF PUBLIC HOUSING DOES NOT HINDER OR IMPEDE PRIVATE RESIDENTIAL CONSTRUCTION

It has repeatedly been charged by the opponents of this bill that the construction of public housing will impede the work of private builders—indeed, that it will so discourage them that they will greatly curtail, if not indeed stop, the production of needed private homes.

No proof has ever been advanced for this contention for the simple reason that there is no such proof.

The fact is that all the experience in cities where low-rent housing was built under the original program proves exactly the opposite. The construction of public housing has had no influence whatsoever in stopping or even decreasing the amount of private housing that was being built during the same period. Indeed, in the cities where public housing was built, private enterprise showed a tendency to increase rather than to decrease its rate of activity in relation to the rate of Nation-wide building activity.

This is well illustrated in the case of San Francisco. In 1937, private builders started 1,946 new dwellings, and in 1938 started 2,724 dwellings. In the next year, 1,359 units of public housing were put under construction. In this same year, the number of units started by private enterprise increased to a total of 3,133. Nor did the construction of the public-housing units started in 1939 impede the activities of private enterprise in the following year, for in 1940 private builders started the construction of 4,430 units.

If the construction of public housing could possibly discourage private enterprise, it should have discouraged it in San Francisco in the years 1939 and 1940. Yet, as these figures show, the total of private construction in these 2 years was 62 percent higher than it had been in the two preceding years. In these same 2 years, private home building in all cities in the country increased by only 36 percent. It is thus evident that San Francisco, far from lagging behind because of the construction of public housing, actually forged ahead in private construction in the very 2 years in which public housing was also being built.

This experience is typical in city after city—even where the public-housing program was relatively large. In Omaha, Nebr., for example, private enterprise which started the construction of 713 dwellings in the years 1937 and 1938 increased its starts to a total of 1,147 in the years 1939 and 1940. Yet in these same years, 1939 and 1940, the local-housing authority of Omaha started work on a relative large program of 794 units of public housing. Did this impede private enterprise? No. The record is clear because in these 2 years private enterprise in Omaha increased its activity by 61 percent, as against a Nation-wide increase of 36 percent.

To make abundantly sure that this experience is typical, a number of cities have been selected in which the public-housing program was relatively very large in relation to the size of the city and in relation to the amount of private construction. The public-housing units in all these cities were started in the years 1939-40. What was the record of the private builders in these 2 years when public housing was being developed, in relation to their record in the two preceding years? In Atlanta, Ga., private enterprise increased its activity by 60 percent; in Birmingham, Ala., private enterprise increased its production by 127 percent; in Charlotte, N. C., by 66 percent; in Huntington, W. Va., by 51 percent; in San Antonio, Tex., by 54 percent; and in Springfield, Ill., by 91 percent. These increases in private construction during the very period when public housing was being developed in these cities compares with a Nation-wide increase averaging only 36 percent. These cities are places where the public-housing programs were relatively large. Here, if anywhere, the alleged discouragement of private enterprise by public housing should have been apparent. These facts reveal that there is not a scintilla of evidence pointing to any such discouragement of private enterprise.

These figures prove what, of course, is apparent to any reasonable person who takes the trouble to understand the purposes of the public housing program. The families which public housing serves have such meager incomes that they can be provided with decent housing only with the aid of some public assistance. Private builders never have catered to these families, nor have they any intention of doing so. The figures which I have presented merely demonstrate once more that the market for public housing is utterly separate and distinct from that of private building.

The extension of the public housing program can therefore have no conceivable effect in retarding or discouraging the needed production of homes by private builders, and the opposition of the realtors' lobby to public housing is shown up as nothing more nor less than that of a "dog in the manger."

This Nation needs a large additional supply of decent housing to take care of the families now living in the slums. The existing supply of private housing which meets decent standards is being used to its utmost capacity, and private enterprise admittedly cannot build new housing for families of very low incomes. There is no other way of getting decent homes for families now living in the slums except through the public housing program. We should provide for the extension of this program by adopting H. R. 4009. And we should do it now—for every day's delay prolongs by just so much the date when families now living in the slums may commence to move into decent housing fit for American citizens.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, at the first opportunity offered I expect to present an amendment that will strike out title II of the bill. I see no reason why we cannot support this amendment and put the bill more in line with what we may think reasonable if a bill is passed at all. Furthermore it is more in line with the President's estimate of the cost of the legislation.

There is nothing wrong with the amendment of the gentleman from Kansas in limiting the amount to \$10,000,000 instead of \$20,000,000,000.

This is not a bill that will take care of everybody who may qualify. It will only take care of a very small percentage of the people of this country anyway. It will be one of these cases where many are called but few chosen. There will be a chosen few who will come under this title of the bill the way it is written. As someone has suggested, they will be from the metropolitan areas, not from your small area in Nebraska, sir, or from my State or from any other agricultural State, but only from certain metropolitan areas.

Mr. Chairman, I still insist that we ought to know whether this bill is going to cost \$20,000,000,000 or \$18,000,000,000 or \$10,000,000,000. When we have a difference here of about \$10,000,000,000 we ought to know something about it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman from New York sought by a rather lame apology to defeat the Cole amendment. The issue is that the President when he wrote the letter to the Speaker of the House either knew what he was talking about or did not know what he was talking about because he specifically said as of the bill, that I take it was the bill then pending, that the total cost to the Government is estimated at \$9,000,000,000 to \$10,000,000,000.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

A FORWARD STEP FOR ADEQUATE HOUSING

Mr. SABATH. Mr. Chairman, I am inclined to believe that if the gentlemen from Kansas [Mr. COLE and Mr. REES], the gentleman from Michigan [Mr. WOLCOTT], and others who preceded me were familiar with the groups who have been in the past and are now opposed to rent control as well as this bill, that if they knew their background, that if they would realize that these groups are behind the real-estate lobby—the most astute and subtle lobbyists ever to infest this Capitol—who are furnishing the sinews of war to destroy this legislation, of which they should have knowledge, I am inclined to the belief that they would not lend themselves to that group of avaricious and unscrupulous men to whose benefit the defeat of this legislation would inure. They are the men who now control many hotel and apartment buildings that they obtained, as I will explain later, under questionable conditions and at extremely low prices. They are the self-same groups who threatened to refuse to rent their apartments if the Rent Control Act was not repealed and who forced their tenants to pay increased rentals ranging from 150 percent to 300 percent. It is their effort now to stop or retard any housing construction in order to continue to exact high rentals for apartments in the buildings they own.

And now, Mr. Chairman, I shall explain the reasons for these remarks.

During the heydays of 1927, 1928, and 1929, the investment bankers and mortgage houses unloaded \$22,000,000,000 worth of so-called real-estate gold bonds on the American people. When the crash came, these investment bankers who unloaded the bonds, were the only ones who had the names and addresses of the unfortunate bondholders. They started in with their agents to obtain, in many cases fraudulently, powers of attorneys from the bondholders and organized so-called protective bondholders' committees. They came into possession of thousands of apartment buildings and hotels in the United States to the detriment of over 2,000,000 American citizens who in good faith invested their hard-earned savings in these real-estate bonds.

During the years they held possession and control, very few of these committees paid the bondholders a cent of interest. It was my committee which brought to light their shameful betrayal of the trust reposed in them by the bondholders whom they robbed instead of protecting. They used the money they collected to pay high salaries and enormous fees to themselves, their lawyers, receivers, trustees, and depositaries. They used false reports that discouraged the unfortunate bondholders who sold their bonds at a few cents on the dollar to these double-dealing slickers.

When the House authorized a select committee in 1935 to investigate this deplorable situation, I was appointed chairman. Shortly after the committee started to investigate the manipulations of the so-called protective bondholders' committees who acquired these bonds at the outrageously low prices of 2, 3, 4, 5, and 10 cents on the dollar, they started

to dispose of many of the properties to those associated with them at extremely unwarranted and ridiculously low prices. They are the same people who obtained these properties in conjunction with other manipulators who were behind the opposition to the Rent Control Act and who, today, are supporting the movement to hold back construction and create home shortages in order to continue to exact high rentals whenever possible.

These avaricious groups not only acquired almost all the largest apartments and hotels, as well as many of the smaller ones in old communities, and deliberately failed to keep them in repair, and ultimately succeeded in having the localities where they were situated designated as blighted areas with the sole object of precluding owners in these sections from obtaining HOLC loans for repairs and improvements. Those sections today are now blighted areas or slums and, due to the great shortage of rental homes the people are obliged to continue to live in and pay unconscionable rents for these dilapidated and almost unlivable quarters. Consequently, these buildings regardless of the unsanitary, crowded, and unhealthy conditions there, have remained continuously occupied all these years to the great advantage of greedy groups who today are and have been materially helping and financing the most wicked lobby in the Nation's history to defeat this bill. And these gentlemen have succeeded in influencing many Members to give them aid and comfort in their scheme to retard construction of homes and rental units and to clear slums and remove blighted areas by opposing this legislation.

Mr. Chairman, in years gone by when the opposition had no facts or arguments against pending legislation, they would usually charge that it was unconstitutional. Of late, they use the lame argument that legislation is socialistic. It is strange that the same gentlemen who now charge that a bill is socialistic, advocated and voted for more millions for socialistic Great Britain and Nazi Germany, to build homes and for other purposes. But they oppose this bill to relieve the millions of homeless veterans and citizens in their own country who vainly seek to obtain livable quarters.

Mr. Chairman, the bill before us makes a basic legislative proposal which presents a clear statement of a national housing policy, the objectives to be attained and the establishment of a permanent over-all Federal housing policy. The program originally called for 1,050,000 housing units to be constructed in 7 years. The Committee on Banking and Currency agreed to reduce the number of units to 810,000 as provided in the Senate bill.

The bill permits Federal aid to localities to help them make an effective start toward clearance of their slum and blighted areas.

It would authorize Federal financial assistance to extend and perfect urban and rural non-farm housing for those imperatively in need of housing or those inadequately housed. Provided also, are

other special loans and grants for improvements to farm housing and buildings with a moratorium on payments under loans outstanding upon proper showing to the Secretary of Agriculture. These loan funds total \$250,000,000 in varying amounts from July 1, 1949, through July 1, 1952, with additional grants and contributions totaling over \$18,000,000.

TECHNICAL RESEARCH

The bill further calls for all-inclusive technical research and study seeking to obtain progressive reductions in housing costs.

Veterans are granted preferential rights to housing built under this act. The history of this and other housing legislation is well known to those of us who have been actively interested in relieving the deplorable conditions which, if not cured or alleviated, will sentence to a life of squalor and makeshift shelter, millions of our people including young children, the future citizens of the richest country in the world, to be brought up under conditions incubating disease, crime, delinquency, and wretchedness.

Nor do we forget the old and the aged who through misfortune or conditions beyond their control, after having lived honorable lives of usefulness and honor, are forced to inhabit urban slums or hastily set up temporary shacks.

And what about the sad plight of the veterans who upon their return home from distinguished service on world fronts, are consigned to trailer camps or living with relatives in close, unsanitary, and cramped quarters?

Public action now becomes imperative and must be taken immediately under this bill if these terrible housing conditions are to be corrected. Private enterprise has failed to provide decent housing for low-income families. At least private enterprise, except in rare cases, has not undertaken the job thus far, in view of the financial considerations of which they complain.

The cities are handicapped because of many reasons but most important of all, because of costs involved and the limitation in their taxing power which might give them access to the financial means necessary to absorb the entire expense of clearing slums. They have tried but without success in most cases. Consider as an example my city, the city of Chicago, which, though it has attained a measure of success, has been struggling with this problem since before the war. In 1947 the city council of Chicago referred to the people a bond issue totaling \$30,000,000, \$15,000,000 for slum clearance and \$15,000,000 for rehousing. The people of Chicago voted overwhelmingly for this bond issue.

The State of Illinois also made a substantial contribution as did the Cook County Board of Commissioners. These governmental agencies in Illinois and more particularly in the metropolitan area of Chicago already have a heavy burden of financial support for providing additional low-rent housing. But thus far the results are far from conclusive. Slums exist and with them the high costs

of police and fire protection, disease, crime, juvenile delinquency, public health, and public welfare services.

Poor housing can be breeding places for communism. Communism thrives under conditions which prevail in slums. When people are preyed upon, miserable, depressed, and unhappy because of the indecent conditions under which they are obliged to live, they are apt to turn to any program which they hope will raise their standard of living.

In my district the problem stubbornly persists in spite of all efforts of the city, county, and State officials to do the job of clearing the blighted areas therein which are a disgrace to our American civilization. And I mean to use all the power and influence of my office to serve these deserving Americans who have suffered and continue to suffer because of these disgraceful housing conditions. At this point let me interject that in the low-cost-housing projects of my city, men and women of all races, creeds, and colors occupy units in the same housing projects and live in peace and quiet, thereby giving an honest answer to the argument made by the opponents of this bill, among them Mr. COLE the gentleman from Kansas, that there is racial discrimination in this bill. Yes there is discrimination but not the kind Mr. COLE complains about. My city and district are no different in their urgent need of financial assistance for housing than any other in the country.

In spite of the poverty and deterioration of these blighted areas, the cost of the land is high. Then too the assembling of the land in these close-in areas takes time and is also costly. The landowners fight these acquisitions vigorously. Titles are often clouded and court action is made necessary, slowing the acquisition procedure. Resort must be had to eminent domain to acquire and assemble these tracts. The city of Chicago is in the throes of these difficulties, what with its attempts at securing a standardized building code and regulations and methods for its uniform administration.

Chicago's City Council has endorsed Mayor Martin H. Kennelly's housing program. This housing program of Chicago calls for liberal Federal assistance in carrying out the program. I congratulate Mayor Kennelly for his success in obtaining approval of this bill by the city council.

The United States Conference of Mayors recorded its support of H. R. 4009. The Conference of Governors of 42 States has advocated the basic provisions of this bill. Hence, the conclusion is inescapable that the Federal Government must aid the cities and the States, as is provided in this act, to acquire through purchase or condemnation, a slum or blighted area chosen with the accepted local plan or development. I am confident that all these areas after redevelopment will not be subject to, or likely to return again, into the same slum or blighted condition.

FAMILIES DISPLACED TO BE REHOUSED

In this connection, I touch upon another objection interposed by those fighting this beneficial measure. These op-

ponents claim that when we tear down bad housing, we dislodge the tenants, who, then, have no place in which to live. However, they overlook section 202 of H. R. 4009 which provides that preference to families displaced by slum clearance shall be given to enable the rehousing of such families and permit the redevelopment projects authorized.

We are well aware that this bill does not contain all phases of the housing question which require attention. To cite a few, namely, to provide housing for middle and lower middle-income families unable to meet present-day prices for dwellings and improvements in the existing programs of the FHA, modifications and liberalizations of existing provisions for insurance of private mortgage investments in sales, rental and cooperative housing, as well as liberalizing secondary markets for GI loans, and study for Federal aid for needed housing construction at colleges and universities. These problems will be given attention as quickly as the other aspects are resolved.

FURTHER CHARGES BY SELFISH AND PROFIT SEEKING OPPOSITION

The charge of socialization or nationalization cannot stand. Critics of the bill charge that the Federal Government will exercise dictatorial power over local communities and will socialize and take over the housing industry. First of all, the communities are not forced to participate in any of these projects. Action by them is purely voluntary and at the option of the local governmental agency. In the event the local agency accepts the project upon its own initiative, the local authorities take over the program and they, not the Government, plan and carry it out. The Federal Government furnishes the financial assistance, technical aid and advice, and sees to it, that the intent and statutory requirements of the act are strictly followed. This is not unreasonable and the same procedure is followed in similar projects sponsored by the Federal Government.

PRIVATE ENTERPRISE AIDED, NOT OBSTRUCTED, BY H. R. 4009

The fear that private enterprise is interfered with has no basis. The contrary can be shown. Under this bill, private housing enterprise is to be encouraged to serve as much of the need as is possible and capable and governmental aid is to be enlisted in that support. Further, it is planned that private capital is to be afforded the greatest opportunity to participate in the redevelopment of slums or blighted areas. There is a differential of at least 20 percent between the upper rental income limits for admission to public housing and the lowest rents at which private housing is providing a sufficient amount of good housing in that section either new or old, for rent or sale. In this way competition is obviated between public housing and the housing industry under this bill.

HOUSING RESEARCH AND STUDIES TO AID PRIVATE ENTERPRISE

As a further aid to private enterprise, an important section, title III, has been added, a Federal research and study plan for development of new and improved

techniques and methods in housing construction. The home builder who seeks to build more and better homes at lower prices to maintain his business will accomplish better his task if he has in his possession and makes use of the research into basic cost factors. Likewise with this research information, the lending banks or investment houses may better and more wisely make selection of investments for their clients. Producers and distributors of building material and equipment will be benefited by this information and the local State and Federal governments will be in a better position to judge what action they should take, with regard to the solution of their housing problems. So it can be seen that there is nothing in this bill which hinders or impairs the present position of private enterprise in housing with the Housing and Home Finance Administrator bound to undertake a vigorous and realistic approach and program into all of the accepted and known obstacles to the attainment of a successful housing program.

Under prior legislation, Congress was empowered to reexamine the entire need for public housing, check up on the results attained, and then proceed to make further plans. This the House bill 4009 envisages and accomplishes. After such reexamination of these findings, the bill proposes a minimum program based upon the present acute and dire housing problem.

As a matter of fact, there is a large intermediate group which will be considered later. This is the income group between the low-income group herein provided for and those who have an annual income above \$4,500. This group also sorely needs relief, and I hope that Congress will provide this relief expeditiously.

Mr. Chairman, every economist and well-informed citizen not controlled by big money and real estate combination recognizes the need for this legislation. I have before me hundreds of letters, petitions, and telegrams from the American Legion, Veterans of Foreign Wars, and other veterans' organizations, as well as the A. F. of L., CIO, League of Women Voters, housing associations, and civic and social organizations. Every stratum of life is well represented, urging and pleading for favorable action on the housing bill. Some of these ask that their pleas be inserted in the Record as part of my remarks. This I regret I cannot do.

As I have pointed out several times on the floor of the House the opponents of this legislation have made outrageous statements as to the cost of this legislation. These are wilfully, deliberately, and recklessly overstated. The facts are, as I stated on the floor on June 8, that not more than \$225,000,000 annually will be needed to adequately furnish the needs of this legislation. With the reduction to 810,000 units the cost will not exceed \$187,500,000 yearly or a total of seven or eight billion for the total 40-year period. The opponents wilfully and deliberately misstated—yes, doubled the amount of the cost to the Government. In addition, I want to bring home the following facts, namely, that during the

last 10 years the Congress appropriated for agriculture alone the sum of \$1,500,000,000 annually. The cost of this bill is approximately one-ninth that amount, or 12 percent as much as the appropriations for agriculture. In addition, Congress appropriated during the same period almost a billion for reclamation projects in the West and Southwest. Consequently, I feel that the gentlemen representing the agricultural sections and other sections of the country will realize and recognize that they too owe some consideration to legislation that will benefit, to some extent, the urban centers. All farmers have their own homes, but those city workers who make it possible for the farmers to increase their production by the use of their labors in the factories which produce efficient machinery are also entitled to receive fair treatment in return.

Mr. Chairman, I have observed in the last few weeks that the Republicans and their Dixiecrat cooperators have raised and will continue during the consideration of this bill the hue and cry of economy in opposition to this measure, which economy is ignored, however, when it comes to legislation benefitting their own sections. I agree that our Government must practice economy and I believe that public housing for the poor is a good place to begin. What greater economies can be effected than when we eradicate the social cancer of the slums?

This bill, to my mind, at least, will arrest a recession because it will create a demand for materials and utilities of all kinds that go into the construction of these homes and will be an incentive for and will bring revenues to the Government. For this reason all uncontrolled and unbiased persons favor this bill in order to take up the slack. To my mind, the politically and artificially created cry that the opposition is making certainly is misleading, because corporations have made more profits during the first quarter of 1949 than they made in the banner years of '47 and '48. In this connection, I inserted in the CONGRESSIONAL RECORD on June 21 a statement of corporate assets which proves clearly the steady and profitable expansion of many corporations which have gained tremendous profits during the first quarter of 1949. It appears to me that certain Wall Street and industrial interests aided by the Republicans appear anxious to bring about a recession, and are using as an argument the present record of unemployment as they did in 1947 and on every occasion when relief or labor legislation is pending. But the record is otherwise, and clearly shows that more workers have been employed in the last 3 months than have been laid off. The record for May 1949 shows that 300,000 were laid off and over 400,000 employed. Again, if their contention is true that a recession is on its way, do they not realize that the housing program will stimulate and reverse employment lay-offs? They ignore the true facts. Then, too, we are pretty well buttressed against a serious economic mishap. Banks are overflowing with money for sound investment purposes. Many people have money for purchasing goods, but are

holding out for lower prices. The people have faith in our Government.

The present situation is much unlike that which held forth in 1929 when after the stock crash big business and the Republican administration whistled in the dark with reassurances such as Herbert Hoover's, then widely publicized as a sage, and voiced the statesmanlike statement, "Prosperity is just around the corner." Yes, it was around the corner, but it failed to return until a Democratic administration took hold and restored our economy. Mr. Hoover went out of office much repudiated and scorned by the Nation. His name became anathema to the American people and was and is today symbolic of suffering and distress.

Let us learn from the lessons of the past and profit by the mistakes of the past, thereby providing against a recession becoming something more serious. H. R. 4009 will provide a safe, sound, and needed stimulant to the social and industrial life of the Nation.

Many of you charge and cry out communism, communism, communism, socialism, socialism, socialism, but these charges and cries are merely made to mask a form of fascism which is as dangerous and deadly as communism and socialism. This is what the opponents of this legislation, in view of the arguments they advance, appear to favor.

EACH STATE WILL GET ITS PRO RATA SHARE

It has been charged that 10 States will get all the funds in the entire program under this bill. The argument is also made that 10 percent of the appropriations may go to any one State and that 10 States could use it all. The United States Housing Act, which would be amended by H. R. 4009, limits 10 percent of the funds to any one State. It does not follow; in fact, it is ridiculous to assume that because there is an absolute limitation of 10 percent to any one State that it necessarily follows that 10 States would get it all.

Under the present low-rent housing program, there are projects in 37 States. There are 42 States with enabling legislation permitting local housing authorities to undertake low-rent housing projects. Four additional States passed enabling acts since funds under the original act were exhausted. As under the first program, the units in any additional program will be equitably distributed among the States and the communities on the basis of need. The same policy has been followed in the United States Bureau of Highways and similar programs.

During my 43 years' service in Congress, I voted for all the farm legislation and all legislation helpful to the South. I am satisfied that the entire country has prospered during the last 18 years because of the progressive and liberal legislation enacted, designated as New Deal legislation. Although there is some temporary recession now, as many financial writers who are stimulated and encouraged by Republicans now state, we are still in the same stable economic condition as we were in 1947, and they are emulating their destructive and scare propaganda of 1947.

I know business conditions are favorable today and if we continue to legislate in the interest of the people and carry out the pledges we have made to them, those of us who will vote for this legislation will remain here for many more years.

I have been an active Democrat for 63 years, elected consecutively to Congress 22 times—my last election by a majority of 96,000. I have been a ward committeeman and district leader in Chicago for almost 50 years, and for 12 years I served as chairman of the Democratic Cook County Central Committee. Before I became chairman of that committee, the county of Cook had been Republican for 16 years. The Democrats had lacked unity during this period. In 1910 I brought about harmony within the ranks of the Democratic Party by uniting the various factions in the party. The result was a Democratic victory. I aided in building up an organization which placed Illinois in the Democratic column. During all these years I have been a liberal and progressive Democrat. This stand, as I have stated before, has made possible my reelection 22 consecutive times.

In years gone by I frequently met the opposition of reactionary Democrats serving special interests. These vested and special interests, together with large manipulators and financiers, have been, and are at all times, opposed to me and against the program of the Democratic Party, they having contributed millions of dollars to Republican treasure chests in opposition to all Democratic candidates for President, Congress, State, and local offices.

LOBBYISTS SHOULD BE CURBED

I shall not encumber the RECORD with the many hundreds of telegrams, letters, and resolutions that I have received from every section of the country on behalf of this bill. These communications, most of them from the unorganized segment of our population—the man in the street, the mother and wife in the home—gave their answer honestly, clearly, and forcefully to the organized lobbies now floating around Washington, unrestrained and arrogant in their activities.

I regret that my resolution which would investigate and keep lobbyists within proper bounds and force them to observe the proprieties of fair and equitable treatment of any subject of legislation has not been adopted.

Most of the falsehoods, half-truths, and untruths of the selfish, avaricious groups, set out for them by the corruptive million-dollar real-estate lobby, have and are being magnified whenever possible in order to mislead the membership and the country as to the real cost and real effect of this legislation.

It must be observed, however, that most of these attacks against the bill charging socialism and puffing up the actual cost, comes from individuals and Members who voted for the millions and millions of dollars that were appropriated to aid the socialistic British and Nazi Germans in their efforts to build adequate housing facilities for their people and other unfriendly nations.

What they are doing is permitting themselves to be used by the real-estate racketeers in an organized effort to assail and oppose the bill now before us.

Another excuse that they utilize, is that we should let private industry build these much needed homes for the waiting 2,000,000 ex-servicemen and the three or four million other homeless Americans. As a matter of fact, private industry was given every conceivable opportunity to relieve the housing shortage. The Congress, upon their persistent appeals, has repealed all the restrictions on building and given them a free hand upon their promise they would supply adequate housing for the low-income and middle-income groups commensurate with their pocketbooks; but instead of this, they built homes and apartments outside of the reach of the average pocketbook. Homes were built ranging from \$12,000 to \$25,000 or more, because the profit element in the higher priced homes is much greater. The few homes that were built under \$10,000 were unfit to live in because of the cheap quality of construction and materials. We must take this matter out of the hands of private industry for they have proven themselves highly uncooperative. H. R. 4009 is the answer to the problem, at least in part.

The dishonest and false representations set forth in the propaganda of the lobbyists against this housing bill have been so contemptuous that a further strengthening of the present curbs on the outrageous and shameful activities of the hundreds of lobbyists who infest the Capital should be encouraged. They are using every conceivable and unfair method to influence Members against the bill. Their unscrupulous conduct, I am sure will give further impetus to, and expedite the passage of, the resolution now pending in the Senate pertaining to the investigation of lobbyists.

In view of these facts, I feel that this legislation which, as I have previously pointed out, is demanded by millions of underhoused Americans and pleaded for by the governors of 42 States, the mayors' conference, all veterans' organizations, civic, religious, and other groups, should be passed.

I shall vote for H. R. 4009 not only because it strikes a strong and resounding blow at a cancerous condition in our American society, but also because it provides for the general welfare of the people of the United States of America.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. KUNKEL].

Mr. KUNKEL. Mr. Chairman, in the President's letter to the Speaker he wrote this language:

The facts are that the amount of money provided in H. R. 4009 to build 1,050,000 dwelling units will permit an average cost at the most of \$8,465.

I do not know whether everyone is familiar with, or understands exactly how that figure of \$8,465 was arrived at. It is this: In the pending legislation the amount of annual contributions which can be made by the Federal Government is limited to 4½ percent of the cost of the project. So, by dividing 4½ into \$400,000,000, and then multiplying it by

100 you find the maximum cost which can be covered by \$400,000,000 of annual contributions at 4½ percent. The figure you obtain is \$8,888,888.88. Then if you take 4½ percent of that figure, you check back and find it comes out to \$400,000,000 annually in contributions. Now, the figure \$8,465 is arrived at by dividing 1,050,000, the number of units allegedly to be built, into the capitalized cost of \$8,888,888.88.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. Where does the question of production cost enter into this?

Mr. KUNKEL. Well, that is the peculiar part of it. The question of production costs never enters into it at any time at any spot. It is purely a mathematical calculation. All you need is a pencil, a sheet of paper, and an ivory tower. The \$8,465 figure has no relation whatever to production costs. In order to learn about costs, why you would have to talk to the bricklayers and the construction workers and the people who are going to sell the materials and those who are to build the project. The bill itself indicates these costs would be around \$1,750 to \$2,500 per room, because it sets these limits on the cost per room. Only a tiny, few-room house could be built in New York, Detroit, or Chicago for \$8,465. If standards and durability are not to be sacrificed, and if the houses are to be four, five, or six rooms—to house larger families—then you certainly would not be able to construct 1,050,000 units within the \$400,000,000 annual limitation and pay the projects on the basis of 4½ percent of the cost.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The Chair recognizes the gentleman from Oklahoma [Mr. MONRONEY].

Mr. SPENCE. Mr. Chairman, I yield my time to the gentleman from Oklahoma.

Mr. MONRONEY. Mr. Chairman, I have not spoken on this bill because there are so many Members whose States the bill so vitally affects. Excepting for the farm-housing sections, this bill cannot affect Oklahoma because we do not have an enabling act to permit us to share in the public-housing features. However, I am for the bill. I know the Congress has felt the responsibility to vote funds that would help Oklahoma and other like agricultural States in soil conservation to prevent the erosion of our farms.

I think the prevention of human erosion that is going on in the slums is a matter that should concern some of us from agricultural States. Congress has voted many, many millions of dollars for the eradication of the hoof-and-mouth disease and for the prevention of the boll weevil, which affects the cotton of Oklahoma, yet there is disease and suffering going on in the slums of the big cities.

I think the Congress must recognize this as a national problem, the same as it recognizes other destructive elements and conditions. Time has proven the inability of private developers or the cities alone to cope with it or to solve it.

We must try to do something to eliminate the blight that has affected so many lives in the big cities. The economic waste of the slums runs into hundreds of millions of dollars each year in crime, disease, and their destructive effect on the lives of those who because of low incomes must be forced to live in them.

I am for this bill not because I like to provide subsidies for low-rent housing but because, in more than 11 years in this Congress, I have hoped for some program that might come out of all of the thinking of the people that have studied this problem, so that we could find through private enterprise some way to get decent, livable, sanitary housing for the millions that must live in these big city slums. We have not found it.

Each time we have had a slum-clearance bill come up we have had a lot of ideas, but the minute you defeat public housing these ideas seem to disappear and fade away.

I have worked on many plans. I am a good deal like the distinguished ranking minority member of the committee. I have changed my vote. I voted against slum clearance and public housing for many years in this House, but as I have gone by these wretched, disreputable, crime-breeding, disease-ridden sections of our big cities and seen spotted in a place or two a slum-clearance project where light and sunshine can come in and playgrounds are there, so the people can live decently in this housing, I have regretted my vote, and have questioned it many times. As hard, and as destructive as slum life is for adults, its affect on the children is ten times greater. Slums will not produce the type of Americans we need to keep this country great.

I think we are faced not with a theory but with a condition. We want to do something to try now to help these people whose hopeless living conditions never can be improved unless the Federal Government tries to do something about it.

The amendment offered by the gentleman from Kansas does not do anything to help the bill. If you are against the bill, then do not vote for his amendment; vote against the bill. The gentleman seeks to cut down the figure the President estimates the bill will cost. Under the mathematics the bill will cost a total of \$12,320,000,000 for the full 40 years if the full contribution is required, but there are many variable factors in this.

The principal variable factor is, over 40 years what will be the wage standards of the people who live in these apartments? That is the thing the money goes for—to try to bring the rental down to meet the need of the lowest income class. If their wages rise, then the cost to the Government is greatly decreased, since higher rents will be charged and the Government contribution greatly reduced.

If you adopt the amendment offered by the gentleman from Kansas, then you are building these public-housing units to house the better income class that can probably well afford to pay for their own housing.

Only by having the authority and the authorization of law to bring the rent

down to the class of people you are building for will you be able to make public housing serve the lower income class.

The bill provides that no rentals shall be within 20 percent of comparable private housing, so this safeguards unfair Government competition with private industry. This bill, under the best estimates that can be made by people who have studied it and know the target of rent that we are trying to hit, estimate that it will cost \$238,000,000 a year in total when the whole program is over for perhaps 32 years.

It is estimated that financing can be arranged for—and again you have a variable factor, depending on the cost of interest, and the total length of time that it takes to amortize this, that the total cost will be far under the maximum authorized total—and, in fact, far below the amount the gentleman from Kansas mentions in his amendment.

Mr. Chairman, I ask that this amendment be defeated because, if you are against the bill, then vote against the bill, but do not do anything to defeat the very purpose of making this housing serve the lowest-income people of our cities.

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Chairman, public housing and slum clearance as provided in H. R. 4009 which we are now considering, is a major problem facing our Nation. There is little disagreement that housing constitutes one of the Nation's most serious economic and social problems today. In fact it has been under consideration not only by the Congress but by many organizations and governmental agencies, national and local, for many years.

The principal provisions of the bill are:

First. The Federal Government would contribute up to \$400,000,000 annually for 40 years to permit the construction, through local housing authorities, of 1,050,000 publicly owned dwelling units. House leaders already have agreed to cut this back to 810,000 in conformity with the Senate-passed bill which would reduce the annual payments to \$308,000,000. Tenants in publicly owned housing would pay rents in accord with their incomes. Federal contributions would be used to meet the difference between rental income and the amount necessary to pay off the cost of building and operation.

Second. A 5-year slum-clearance program with one-third of the cost to be met by the Federal Government, the balance by local communities. The bill authorizes \$1,000,000,000 in Federal loans and \$500,000,000 in grants for this purpose.

Third. A \$262,500,000 farm-housing program would provide housing loans for farmers who could not get credit elsewhere, and grants are provided in

some cases for housing on farms that are not self-sustaining.

It should be kept in mind that all public housing constructed under the provisions of this bill will be owned and controlled by local agencies by whom they are constructed, through the services of local builders, and the Federal Government will have no title to them or control over them.

The committee reports that although the seriousness of the Nation's housing situation has been highlighted since the end of the war by urgent housing problems of returning veterans, the basic problem itself is not a new one. It has been building up over several decades. It results from the fact that over the years we have never been able to produce enough housing at prices which a large proportion of the American people can afford. Consequently, housing has never been replaced as rapidly as it should, and many families have been obliged to live in wholly inadequate and unsuitable accommodations.

Unfortunately, the effects of poor housing leave their heaviest imprint upon the millions of children who are being obliged to spend their formative years either in dreary, unhealthful slums, or in overcrowded dwellings in which normal family life cannot be achieved. The maintenance of our way of life and our aspirations as a people and a democracy depend to a large extent upon these children whose attitudes and minds are being formed for the future in the homes of today.

In attempting to get some measure of the magnitude of our present and prospective housing requirements the committee had available to it the comprehensive studies and investigation of the Joint Committee on Housing. This data and other material made available to the committee leads to the conclusion that the Nation must be prepared to build or rehabilitate at least 1,300,000 nonfarm dwelling units and between 200,000 and 300,000 farm units a year each year from now until 1960, if substantial progress is to be made in bettering our housing conditions. As the Administrator of the Housing and Home Finance Agency stated in his testimony before the committee:

We cannot ignore the fact that there remains today, and will undoubtedly remain for years to come, a considerable percentage of our families whose incomes are so low that they must continue to live in slums or other inadequate housing unless we take action to prevent it. The breadwinners of most of these families are usually gainfully employed, and with proper budgeting their incomes are usually sufficient to supply all the basic needs of their families except adequate shelter. Adequate shelter is not available to these families because rents or prices charged for such shelter would represent an unduly and prohibitively high proportion of their limited income. The problem, both in its extent and nature, is not the sort which can be solved in the foreseeable future by private enterprise even with further possible financial aids.

While it is a local problem in my congressional district as in many congressional districts throughout the Nation, it is also a grave national problem. In its

consideration, I, like you, must keep in mind not only the needs and welfare of my own particular district, but the overall long-range problem for the Nation in making possible that low-income citizens may have the opportunity to secure adequate housing for rental or purchase within the means available to them.

Considering the problem from the local level of the Third Congressional District of Oregon, which I represent, I may say that my district is composed of one single county, Multnomah, within which lies the city of Portland. It is the only large metropolitan city in the State of Oregon, comprising approximately a third of the population of the State, with the population within the Portland corporate limits and surrounding environs totaling between 400,000 and 500,000 people. It is the one district in Oregon where the housing problem has been of major importance throughout the war period and in postwar days. By reason of shipbuilding and other war activities, large numbers of war workers centered in the Portland area and many of them have remained with us. The State of Oregon has had the largest percentage increase in population since the war of any State in the Union, practically 50 percent, a major portion of which is in the Portland area. One housing district alone, Vanport, on the edge of Portland in my district, housed between 30,000 and 40,000 people during the war period and it was completely destroyed by the disastrous Columbia River flood of 1948, where some 19,000 persons were flooded from their homes, which were completely destroyed and have not been replaced. Portland is a city of home builders and home owners and we are proud of the record we have achieved in that respect down through the years. Our building contractors have done an excellent job and many thousands of homes have been constructed since the war and the shortage of the better type homes has been overcome and I am advised there are many first-class apartments in these new buildings not subject to rent control available. These rent from \$85 to \$125 per month, and up, according to the number of rooms and facilities furnished. However, there is still a shortage in the low-cost, low-rent units which are covered by the provision of this bill.

Mr. Chairman, the mayor of Portland, the Honorable Dorothy McCullough Lee, recommends passage of H. R. 4009. I may say in passing, Mayor Lee was recently elected by an overwhelming majority of the voters of Portland. She is an outstanding citizen, has served the State long and faithfully, both in the State legislature and the City Council of Portland, before she was elevated to the office of mayor. She was recently given the achievement award of the Women's National Press Club for outstanding achievement in government. The award was presented by President Truman here in Washington on May 14. Mayor Lee is a member of my political faith, a Republican, to which I call attention for the reason that this legislation is non-political in every respect. I do not overlook the fact that the Republican platform adopted in 1948, on which I ran

for office and was elected by a substantial majority of the voters of my district, contained an endorsement of low-rental housing and slum clearance in the following language:

Housing can best be supplied and financed by private industry, but the Government can and should encourage the building of better homes at less cost. We recommend Federal aid to the States for local slum-clearance and low-rental housing programs only where there is a need that cannot be met either by private industry or by the States and localities.

This bill follows out this plank of the Republican platform and I feel that I am duty bound to give it full consideration and to enact legislation in the Eighty-first Congress to carry out our pledge.

Mayor Lee, in giving her support to this bill, said:

In recommending early passage of the Housing Act of 1949, H. R. 4009, we have in mind the extended hearing, exhaustive investigation, and full debate in and out of Congress which have been devoted to the basic principles and provisions of this measure during the past 4 years. We are fully aware, too, of the bipartisan support which has characterized the proposed general housing bill, presented since 1945. The need for declaration of a national housing policy and objective, with means for attaining them, is one of the major problems before the Eighty-first Congress. Limited improvements made through passage of the Housing Act of 1948 did nothing to provide aid in the principal problem areas of housing—low-rent public housing, slum clearance, and redevelopment of blighted areas, housing research, and farm housing.

H. R. 4009 constitutes the first step toward meeting these pressing needs and points the way toward fulfillments of one of the basic tenets of democratic government—that it should do for the people those things which they cannot do for themselves.

The housing needs of Oregon and Portland differ only in degree from those in other parts of the Nation. In August 1947, when Oregon's population increase stood at 33.3 percent over 1940, the immediate housing need was estimated at 108,996 new dwelling units, merely to obtain the same ratio of dwellings to families that existed in 1940. The Columbia River flood in May and June 1948 wiped out 6,353 dwelling units, 5,304 being temporary Federal units in Vanport (19,500 people in that one project alone, as of the time of the flood), occupancy of which was 55 percent veterans.

Prior to the war only about 2,000 dwelling units were constructed in any one year in Portland. In 1948, permits were issued for 3,075 dwelling units. Private industry has tended to limit its building activities to the higher price levels, where adequate profit can be made. It has not been able to operate profitably in the lower- and middle-income field, where the greater part of the need exists. It is our conviction that this greater need can be met only through further governmental aids, as proposed in H. R. 4009.

The city of Portland is now arranging for a survey of the housing problem in the city and outlying adjacent housing areas at a cost of some \$50,000, shared equally by the city and the State of Oregon.

The Portland Housing and Planning Association on June 22 advised me by telegraph that that organization with more than 30 years' work in the field of housing, approved this legislation and urged support of H. R. 4009 as an essen-

tial step toward improving the local intolerable housing situation in Portland.

However, the Portland Chamber of Commerce, through its legislative committee and board of directors, considered H. R. 4009 and disapproved the measure, saying:

The legislative committee of this chamber, and today the board, have considered H. R. 4009, the Federal housing bill.

We wanted to pass on to you the opinion that H. R. 4009 would place the Federal Government too deeply in competition with private enterprise in the housing field. There were discussed instances of high cost private home construction and parallel and related instances of very excessive cost of Government construction of housing projects which are well known to you and have been the subject of discussion before Congress in past years.

The bill is regarded here as one which extends the principles of socialism deeply into our present economic government setup. It is argued here that private industry has been making very substantial strides in meeting the housing needs and it can and will continue to do so unless forced into inactivity by a Federal housing bill pitting Federal funds against those of private builders.

Our board wishes you to have these views as a matter of information and as an expression from one organization which arrives at its conclusion in opposition to H. R. 4009 only after extended consideration of the contents of the bill.

Real estate and building organizations, as well as apartment house owner groups, also disapprove the measure, feeling that it is a socialistic program bringing the Federal Government into competition with private industry and preventing private enterprise from meeting and solving the housing problem.

I share the concern of all of my fellow citizens, not only in Oregon but in the Nation at large, who deplore any trend toward socialism or statism in our national government. My paternal forebears came to this country in the 1600's with Roger Williams and my father migrated to Oregon by ox team almost a hundred years ago and our roots are deeply planted in the wholesome doctrine of individual initiative and the American way of life.

However, I am not unmindful of the fact that if it had not been for Federal aid to the transcontinental railroad lines connecting the west coast with the east coast in the pioneer days of our country, the far West would have been held back in its development for many years. Likewise the heavy expenditures of Federal funds for the development of the Columbia River and other waterways of the West, the reclamation of the immense arid areas, and the development of hydroelectric power might well be classed as socialistic tendencies. We may recall that we have been spending approximately \$1,500,000,000 a year in subsidies and other aid to agriculture. My party has for years supported a high protective tariff which taxes the many for the aid of a few. Many other activities of the Government which require Federal grants, aid, or control for their success might be classed as socialistic along with this plan to give some aid and relief to a very large segment of our population in the low-income groups, many of whom are veterans of the last World War. State-supported

schools are socialistic, but necessary. Certainly the aid given by the Federal Government to our low-income groups under this bill is not as socialistic as our public schools, public roads, and river navigation development where the beneficiaries make no contribution to the Federal Government to help meet the costs. This bill as it will be amended as proposed by the committee was passed by the Senate by a vote of 57 to 13. Such outstanding Republicans as Senators TAFT, VANDENBERG, WILEY, DONNELL, BREWSTER, MCCARTHY, CAPEHART, SALTONSTALL, LODGE, MALONE, MARTIN, and Mrs. SMITH voted for the measure. In fact, public housing legislation has passed the Senate three times. I cannot believe that the charge of socialism can be successfully maintained in the face of such a voting record in the Senate. I feel that this argument is not insurmountable in the consideration of this legislation. In fact, the safeguards and restrictions set forth in the bill will, in my judgment, successfully prevent embarking on a socialistic program by the enactment of the legislation.

The following major national organizations are supporting H. R. 4009:

American Association of Social Workers.

American Association of University Women.

American Council on Education.

American Council on Human Rights.

American Federation of Labor.

American Home Economics Association.

American Legion.

American Municipal Association.

AMVETS.

American Veterans Committee.

Congress of Industrial Organizations.

Council for Social Action of the Congregational Christian Churches of United States of America.

Council for Christian Social Progress, Northern Baptist Convention.

Department of Christian Social Relations, Women's Division, Methodist Church.

Department of Christian Social Relations, United Council of Church Women.

Division of Social Education and Action of the Presbyterian Church.

Family Service Association of America.

Federal Council of the Churches of Christ in America.

Jewish War Veterans.

League of Women Voters.

National Association for the Advancement of Colored People.

National Association of Consumers.

National Association of Housing Officials.

National Association of Jewish Center Workers.

National Association of Rural Housing.

National Conference of Catholic Charities.

National Council of Catholic Women.

National Council of Housing Association.

National Council of Jewish Women.

National Council of Negro Women.

National Farmers Union.

National Federation of Settlements.

National Institute of Municipal Law Officers.

National Lutheran Council.

National Housing Conference—formerly National Public Housing Conference.

National Women's Trade Union League.

National Association of Parents and Teachers.

United States Conference of Mayors. Veterans of Foreign Wars.

National Urban League.

National Board of the Young Women's Christian Association.

Considering the merits of H. R. 4009 the declaration of the national housing policy and the objectives of the legislation are set forth in the bill. The Congress declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation. The Congress further declares that such production is necessary to enable the housing industry to make its full contribution toward an economy of maximum employment, production, and purchasing power. The policy to be followed in attaining the national housing objective shall be, first, private enterprise shall be encouraged to serve as large a part of the total need as it can—I call special attention to this provision; second, governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total; third, appropriate local public bodies shall be encouraged and assisted to undertake positive programs of encouraging and assisting the development of well-planned, integrated residential neighborhoods, the development and redevelopment of communities, and the production at lower costs, of housing of sound standards of design, construction, livability, and size for adequate family life; fourth, governmental assistance to eliminate substandard and other inadequate housing through the clearance of slums and blighted areas, to facilitate community development and redevelopment, and to provide adequate housing for urban and rural nonfarm families with incomes so low that they are not being decently housed in new or existing housing shall be extended to those localities which estimate their own needs and demonstrate that these needs are not being met through reliance solely upon private enterprise, and without such aid; fifth, governmental assistance for decent, safe, and sanitary farm dwellings and related facilities shall be extended where the farm owner demonstrates that he lacks sufficient resources to provide such housing on his own account and is unable to secure necessary credit for such housing from other sources on terms and conditions which he could reasonably be expected to fulfill.

Much criticism of the bill has been made on the question of over-all cost. I am discussing this feature of the bill on the theory that the amendments which the Chairman advised the committee would propose will be adopted, in which event the cost will be materially reduced and the number of units decreased from 1,050,000 to 810,000.

Under H. R. 4009, loan funds of \$1,950,000,000 are authorized for the various programs. These loans are fully repayable, together with interest at the cost of the money to the Federal Government. They, therefore, in no sense represent costs to the taxpayer, and the inclusion of them in estimates of cost by opponents of the program is manifestly misleading. The actual cost of the program to the taxpayer is represented by capital grants made in lump sums and annual contributions payable over a period of years.

Capital grants: Under title I, grants for slum clearance amount over a 5-year period to \$500,000,000. Under title IV grants for farm housing over a 4-year period amount to \$12,500,000. A total of all grants amounts to \$512,500,000.

Annual contributions: Under title II annual contributions for low-rent housing would reach a total maximum of \$308,000,000 at the end of 5 years. These annual contributions may be paid over a 40-year period. Under title IV, annual contributions for farm housing would reach a total maximum of \$5,000,000 at the end of 4 years. These annual contributions may be paid over a 10-year period.

Annual contributions serve to make up the difference between the gross rent that low-income families can afford to pay and the cost of operating public-housing projects, including interest and amortization. The amount required to meet annual contributions is, therefore, subject to many variants. Economies in operation and increases in family incomes are reflected in lower annual contributions. The annual costs to be met by the Federal Government will not be onerous.

The Director of the Budget recently advised the chairman of the House Committee on Rules that on the basis of expected interest rates the contributions would run for 29 to 33 years. He pointed out also that under the present low-rent-housing program in recent years only 25 to 30 percent of the maximum amount contracted for has been required. This is unusually low, due to war and postwar increases in incomes and rent-paying ability of tenants. In an average year under the new program contributions actually paid will probably not exceed 75 to 80 percent of the \$308,000,000 authorized annually.

It must be kept in mind that the benefits of this bill in the public-housing portion go to the low-income groups exclusively, many of whom are veterans. The committee hearings disclose that the average public-housing family is not only in the lowest third-income bracket but in the bottom third of that lowest third. The average income of all these families is about \$35 a week. Every dollar spent for public housing goes directly

into private industry, for labor, brick, cement, steel, lumber, plumbing, electrical goods, glass, paint, and the contractors' profits, will flow into private industry. Hundreds of thousands of private-industry jobs will be saved at a time when unemployment is approaching the danger point. The majority of World War II veterans cannot afford to buy or rent decent homes. The American Legion is supporting this bill. About 2,000,000 veterans' families are now living doubled up. The public-housing program gives preference to these veterans subject only to the priority given low-income families whose homes are being torn down in a community's slum-clearance program.

Every public-housing project is built by responsible private builders who competitively bid for each contract assuring the lowest cost. Built for long life, free of exorbitant maintenance, and operating costs, and providing a decent standard of living, public-housing construction costs are, naturally, higher than the cost of jerry-built speculative dwellings. The new law requires that a no-man's land of at least 20 percent be established between the highest rents charged in a public-housing development and the lowest rents being charged in the community for decent housing available through private enterprise. The committee reports that of the nearly 1,000,000 dwellings built last year, not a single one was sold or rented at a price within the means of the American families who will live in public housing. Heretofore the public-housing program was opposed on the ground that the shortage of building materials and building labor was so critical that even private-housing construction was in difficulties. Today private-housing construction is off as much as 50 percent in many areas. All building materials are now in plentiful supply, and there is plenty of construction labor available. In fact we have a serious unemployment problem which is growing worse day by day.

Public housing works on a three-way pay plan: the tenant pays as much as he can, the city pays a reasonable share, and the Federal Government contributes the difference. Public housing pays to the city up to 10 percent of its tenant rentals for municipal services rendered, policing, fire protection, utilities service.

I repeat, it should also be kept in mind that this program will be administered entirely by local officials and will be under local control and that if any State does not care to avail itself of the program it is free to reject it. The governors of the States are the elected guardians of States' rights. The only way a public housing program can even be started anywhere in the United States is with each State's legislative permission. If the State's government does not want public housing, there is no Federal public housing program in that State. Forty-two States have adopted laws providing for Federal aid to public housing within their boundaries. There are 265 cities in 39 States already operating public-housing projects made possible by the United States Housing Act of 1937. More than 70 percent of these projects are located in cities of under 50,000 population; 100 projects

are in cities of less than 25,000 population. In more than 600 communities scattered over some 42 States, local authorities have set up programs for slum clearance and public housing and are now awaiting the starting signal from the Congress. Actual experience proves that public housing is helping American cities, big and small, across the entire Nation.

It has been contended that only 10 of our major cities will be benefited by this program. However, 42 States will have the opportunity at once to avail themselves of the program as they have passed enabling legislation therefor. Hundreds of cities throughout the United States in the smaller categories have availed themselves or are planning to avail themselves of public-housing programs. Furthermore, the 10 cities referred to where the largest cities in our Nation are situated contribute 65.57 percent of the total taxes collected by the United States and should be given some consideration in providing housing for their distressed low-income groups. Mayor Bowron, of Los Angeles, has stated that a recent sampling of 16,000 veterans' applications on file with the local housing authority showed that 59.4 percent of the veterans had annual incomes of less than \$1,900. It is patent that their present incomes will not allow them to either buy or rent acceptable standard housing from private landlords or realtors. Unless the building industry is suddenly revolutionized by use of non-conventional materials, or in some other fashion as yet unthought of, this situation will continue to exist until private enterprise is able to reach all levels of home seekers.

Mr. Chairman, one of the most salutary provisions of the bill is that for slum clearance. Even the opponents of the bill attest that there exists throughout the Nation slum areas that are a disgrace to this great Republic and which are contributing heavily to child delinquency, crime, and spreading of disease. Frightful conditions exist here in the Nation's Capital within almost a stone's throw of the Capitol Building itself. In the slum areas here in Washington and elsewhere often several families live in a single apartment sharing the same kitchen and a common bathroom. Millions of Americans must now live in America's disgraceful slums, frequently an entire neighborhood using a common outdoor toilet and common water supply. This is good breeding ground for communism.

As pointed out by the committee, the public housing program in the various localities is directly administered by local housing authorities which develop, own, and operate the low-rent projects. Local authorities are created pursuant to State law, and their members are usually appointed by the mayors of the respective localities. The basic responsibility for the provision of low-rent housing is thus reserved to the various localities. The role of the Federal Government is appropriately restricted to the provision of financial assistance to the local authorities, the furnishing of technical aid and advice, and assuring compliance with statutory requirements.

Two types of Federal financial assistance are provided under the United States Housing Act—loans and annual contributions. Loans may be made to assist local authorities in the capital financing of their projects, but under the proposed financing provisions of this bill it is expected that local authorities will be able to meet the great bulk of their capital requirements by the sale of bonds to private investors. The Federal loaning power will be used primarily in connection with the temporary financing of projects during the construction period.

The annual contributions paid by the Federal Government, together with the contributions made by local governments, serve to make up the difference between the rents which families of low income can afford to pay and the annual operating costs and debt service of the projects. The Federal contributions are limited to maximum amounts fixed in relation to the costs of the projects, but the amounts paid each year are restricted to the amounts actually needed in such year. On the basis of past experience, it is expected that, over a period of years, not more than two-thirds or three-quarters of the maximum amount will be required.

Another housing provision of the bill is for rural nonfarm areas. The housing needs of low-income families who live in rural nonfarm areas are as serious as those of low-income families in urban areas. Two provisions have, therefore, been written into the bill with specific reference to this problem. First, the committee has provided for a specific 3-year reservation of 10 percent of the authorizations for annual contributions contracts for rural nonfarm housing. Under this proviso, the committee expects the Public Housing Administration to undertake a program of assistance to local housing authorities in the provision of low-rent housing in rural nonfarm areas. Second, the bill provides for the transfer of farm-labor camps administered by the Secretary of Agriculture to the Public Housing Administration for use as low-rent housing, and authorizes the reservation of all or a part of the accommodations in such camps, for migratory agricultural workers and their families. The bill requires that the rents for such accommodations as are reserved for migrating agricultural workers shall be amounts which they can afford to pay, and permits funds of the agency to be used to make up any deficits, and authorizes appropriations to reimburse agency funds for expenditures for such purposes.

It should not be overlooked also that there is a research program set up in the bill which is of much merit. As pointed out by the committee, research, which has made our Nation's competence in scientific development and industrial skills a subject of world-wide respect, should be more fully used on a larger scale to obtain more and better housing for all American families. In the judgment of the committee, this will require the authorization of a comprehensive Federal research program to the end that the already extensive facilities of our educational institutions, industry, founda-

tions, private laboratories, and of Government may be better coordinated and focused on the achievement of the housing objectives stated elsewhere in this bill. It is this kind of a Federal research program that is contemplated by the committee in title III of the bill.

The need for such a program has been emphasized repeatedly over the long period during which this legislation has been under consideration and was a major recommendation of the Joint Committee on Housing. It has been supported during the hearings by witnesses broadly representative of the American people. Among these witnesses were several industry spokesmen who recognized the value of Government research to supplement the results of industry's own activities.

Perhaps the most persuasive argument for the type of research program authorized by the bill is the simple fact that all who have an interest in and responsibility for housing, need and will benefit from the results of such research. The homebuilder who faces the task of constructing more and better homes at lower prices to maintain his market will make better headway if he is in a position to apply the results of research into basic cost factors. Labor employed in home construction will be helped toward the goal of more stable employment at good wages. Better information resulting from research will help the lending institutions in the wise selection of investments for trustee funds, and it will help the producers and distributors of building materials and equipment who have been severely handicapped by the traditional boom-and-bust behavior of construction activity in the past. Governments—local, State, and Federal—need more sound factual information on which to evaluate the actions they should take in carrying out their respective responsibilities in housing.

The bill also covers farm housing. There are many farm homes that are in disrepair, without modern conveniences and owned or occupied by low-income families who are without means or the ability to provide decent homes for their families. Our information is that in 1947, 19 percent of our farm housing was in need of major repairs as compared with 8 percent of nonfarm housing. Only 1 out of 5 farm dwelling units had both private bath and flush toilets compared to 73 percent of nonfarm housing. Two-thirds of the farm dwellings lacked running water. Only 3 out of 5 had electric lights. Certainly an improvement of farm housing standards as reported by the committee is essential to a sound and secure rural economy and to attract to the land persons of the type of character and health to make the farm program successful. This provision of the bill certainly is meritorious.

Time does not permit a full discussion of the provisions contained in titles I and II in connection with slum clearance and low-rent housing under which agencies may borrow moneys from private investors on short-term notes. There are other provisions with reference to financing of low-cost housing which are meritorious and worthy of our support.

I realize this humanitarian program to provide shelter for low-income groups will cost a substantial sum of money. However it is an essential program for the welfare of our own citizens. I subscribe to the view we should balance the Federal budget and live within our income. By cutting out waste and useless expenditures in governmental operations we can easily save many times the cost of this program.

Mr. Chairman, in view of the reasons that I have here set forth and others that time does not permit me to recount, it is my purpose to vote for the passage of H. R. 4009 as amended in accordance with the announcement of the committee chairman.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I hope the committee will approve the amendment proposed by the chairman of the legislative committee in charge and I hope that the Committee of the Whole will not approve the proposed amendment to materially reduce the number of low-rent public-housing units and for this reason:

I think the amendment is offered in order to implement the arguments which have been made by those against the bill and to demonstrate as best they can the validity of their opposition. But what the House is interested in right now is whether Members are for or against the bill.

I would like to take this time, however, to answer one very important argument and that is that 810,000 housing units will not provide all the low-cost housing units needed in the United States, therefore we should pass no bill. Certainly we should pass this bill; for if we just extended that argument, we should be building 16,000,000 homes for everybody in the country who will need a new home in the next 10 years. In my town of New York there are 400,000 housing units which were built were 1900. Many of them are in good shape and people can live in them for a while yet. What we are trying to do here is to take care of the marginal difference between inadequate building and adequate building. Building which will approach in magnitude our need is considered to be about a million and a half units a year. Private enterprise is supplying about 900,000 new units annually. We are trying here to get a balanced program to take care of that marginal difference.

Insofar as low-rent housing is concerned, the chairman of the legislative committee has adopted the figures contained in the bill of the 10 Republicans and has adopted the figure in the bill which was passed by the other body. That is a balanced and reasonable approach to this problem, very tidily within our means and I believe that those who support the bill must support at the very least that figure of 810,000 low-rent public-housing units.

Mr. LARCADE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LARCADE. Mr. Chairman, I am not opposed to giving every assistance possible and reasonable to our great cities in the United States, and I know that slum clearance is one of the problems of the larger cities in the country, and I am in full accord with authorizing a program and appropriations for such undertakings, as well as such other reasonable programs which are necessary for the welfare and progress of our cities and every other portion of our great country; however, while it is true that the legislation under consideration does make provisions for slum clearance in our cities, there are so many other provisions which are a part of this bill, and which I cannot in justice to my conscience support it is my intention to vote against the bill under consideration.

Mr. Chairman, my office has been flooded with literature and communications protesting the enactment of this bill, and one editorial from the Houston Chronicle of date June 15, 1949, reflects in a large measure the summation of the opposition from many of my constituents in my district, and from this editorial I would like to quote and read the following:

Public housing is not the answer to any public problem in this country. It started as a means of priming the pump of national economy in the early 1930's. When that played out as an excuse, it became a great crusade to rid the cities of slums.

Even the staunchest supporters of public housing do not claim that the slums have been eliminated in any place where slum-clearance projects have been established.

The temporary housing shortage, due to the lag in construction of housing during the war and inflated costs of building since the war, have given a false idea of the desirability of public housing. For several years veterans housing, scarce housing, and high-priced housing have been confused in the public mind with Government plans for slum-clearance housing.

The impression has become widespread that Americans, particularly in cities, are the worst-housed people on earth. That is the rankest kind of nonsense. We are the best housed of all living peoples. And only a minute part of our population lives in public housing.

There certainly are slums in our cities. Right here in Houston are hundreds of families living in virtual sties, a disgraceful and menacing civic disease that has not been helped by the slum-clearance treatment.

Within the last dozen years the Federal Government has built San Felipe courts and Irvinton courts for whites and Cuney Homes and Kelly courts for Negroes. In the four projects are facilities for 1,318 white and 897 Negro families.

The Government built these housing projects; it owns, operates, and manages them. It pays no real-estate taxes. It charges less rent than needed to pay building and operating costs. The loss comes out of the pocket of the taxpayer through Federal income taxes and higher real-estate taxes.

Since the public housing projects are tax exempt, the rest of Houston's taxpayers must pay the high cost of schools, fire and police protection, and other municipal services not only for themselves but for the favored housing tenants as well. Don't forget, the

taxpayers paid for these housing units and continue to pay part of the rent of the tenants.

The worst of it is that they have not helped the neediest families. Public housing officials testified openly at recent hearings before Congress that they do not intend to make more than a small fraction of their units available to welfare families and those on relief. Public housing, they said, is for families with steady incomes.

Families with steady incomes are not likely to be found living in what is commonly accepted as slums unless they prefer to live there. The housing projects have filled up with middle-income families as well able to pay for their shelter as the average taxpayer who is being forced to help support these Government favorites.

In the 15 years or more that the Federal Government has been engaged in building and operating public housing, it has not constructed as many units as private enterprise is building this year of 1949. Then how can it be seriously considered as an answer to the housing needs?

Experience has shown that it takes the Government at least 2 or 3 years before any newly authorized housing would be available for occupancy. There must be surveys and conferences and every little decision has to be approved by city, county, State, and Federal bureaus.

A public-housing program siphons labor and material from one type of housing to another. It causes materials to be held in warehouses instead of turning them loose on the market where private industry would use them to quickly build houses.

Whether or not public housing actually primed the pump of national economy in the 1930's is beside the point of the present discussion. It has not cleared slums. It has not helped the housing situation but has hindered the construction of shelter by private industry.

It serves no useful purpose perceptible to anyone except possibly someone who believes in the Government ownership and control of homes, and the few favored occupants of the housing projects.

Mr. Chairman, I have also taken the time to read all of the editorials from other papers from other portions of the country, as well as discussions by columnists and commentators and I think that one of the best articles I have read which gives, in my opinion, the opinion of a large majority of the citizens of our country, is contained in an article published in the Washington Star written by Gould Lincoln, and I would like to quote and read part of this article which pertains to public housing and other programs under consideration:

An ominous ground swell among the common, everyday run of Americans against continued heavy spending by the Federal Government, particularly for new paternalistic and socialistic projects, appears to be rolling up. If it is so, it may still be in time to do some good before Congress closes. And should the administration's lack of interest in economy—evidenced by its continued proposal of new and costly programs—meet such a ground swell head-on, there may be something new in the political field. The campaign for the Senate and the House is coming up.

Notwithstanding the millions of people who are drawing money from the Federal Treasury, either directly or through subsidies of one kind or another, there are still more millions who are not. And the whole mass of the people are feeling the increasing pinch of Federal taxes and the ever-growing State and local taxes.

STRAW IN THE WIND

A straw in the wind is an unusual kind of poll, conducted by the Detroit News in the heart of a great industrial center, where the CIO claims tremendous strength. The newspaper published on two successive days ballots containing questionnaires on a proposal to cut Federal appropriations for the next fiscal year by 10 percent, and on Federal aid to education, public housing, the Brannan farm plan, the appropriations for aid to western Europe to rearm, the ECA appropriations, and the President's national health insurance program (socialized medicine to many).

Instead of urging the people of Detroit to send their answers to the Detroit News, the newspaper asked them to cut out the ballots and to send them to Michigan's two United States Senators, and to the Members of the House from the Detroit area. The results, as tabulated by these Members of Congress, were remarkable. The opposition to spending was overwhelming—and to the new projects also. Only in the matter of continued ECA aid and of aid in arming the North Atlantic Pact countries was there anything like a close division—and that was not too close.

The vote, in the poll, stood about 6 to 1 against Federal housing, 3 to 1 against Federal aid to education, 12 to 1 against national health insurance, and 16 to 1 against the Brannan farm bill. The poll stood 5,293 to 3,982 against spending to arm the western European nations, and 5,553 to 3,832 against large ECA appropriations. The Federal housing bill was defeated in the poll by 8,265 to 1,265; the Federal aid to education measure, 6,959 to 2,293; the Brannan farm bill, 8,870 to 528. On the other hand, the proposal to cut appropriations by 10 percent was voted up by 8,941 to 559, and the Hoover Commission plan to reorganize the executive branch of the Government was supported 9,251 to 245.

LETTERS ARE CRITICAL

Members of the Michigan delegation who received the ballots say they appeared to come from the ordinary run-of-the-mine citizens. One of the Senators received 200 letters along with the ballots and they, too, were mostly critical of the spending programs—half of them coming from persons of small means and half from business people.

Mr. Chairman, I think that the gentleman from Massachusetts [Mr. MARSH], hit the nail on the head when he made a statement in regard to H. R. 4009 when he said:

To help a few people we cannot imperil the Nation—

And that \$19,000,000,000 cost of the bill—

is a heavy obligation to assume in the face of a possible financial collapse. Less than 6 percent of our people would be in the class available to benefit by the legislation, and less than 7 percent of those available could be selected. * * * In other words, out of every 1,000 people you know, only 4 could qualify. * * * The other 996 persons will get nothing but increased tax bills.

Mr. Chairman, it is my further opinion that there are ample laws on our statute books which can be taken advantage of by our people in providing public housing, and if, for any reason there are not sufficient authorizations for that purpose, I am perfectly willing to vote for additional authorizations and appropriations to make the necessary provisions for that purpose to continue these programs in the American way.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Chairman, I rise in support of the amendment offered by the chairman of the legislative committee in charge of this legislation.

What, in actual essence, it does is to cut the program from 7 years, or 1,050,000 units, to a 6-year program, or 135,000 units per year, with an escalator clause, of course, which permits a minimum of 50,000 in any one year up to a maximum of 200,000. Then we get down into the figures here as to the real crux of the issue, as far as the total cost is concerned, and the total contributions and just wherein facts are facts, and wherein half-truths and fallacies are half-truths and fallacies. It has been stated here time and time again every effort to actually distort the real facts.

I believe we have a very good basis of performance under the existing program at present, under Public Laws 412 and 671. I should like to list a table showing our present experience under the United States Housing Act of 1937:

Locally owned low-cost housing under United States Housing Act (Public Laws 412 and 671) as of Dec. 12, 1948

1. Maximum annual contributions under contract.....	\$24,649,455
Less deferred units (still under contract).....	2,778,171
Balance, active units.....	21,871,284
Fiscal 1950 appropriation for annual contribution.....	\$5,000,000
Percent of 1950 appropriation of maximum for active units.....	22.8
2. Development costs.....	\$782,851,589
Less deferred units (still under contract).....	85,760,434
Balance, active units.....	697,091,155
3. Number of units.....	173,195
Less deferred units (still under contract).....	20,906
Balance, active units.....	152,289
1. (a) Maximum annual contribution under contract per unit.....	\$142
Deferred units (still under contract).....	133
Active units.....	143.50
2. (a) Development costs per unit.....	\$4,520
Deferred units (still under contract).....	4,100
Active units.....	4,575

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. BUCHANAN] has expired.

The Chair recognizes the gentleman from Michigan [Mr. O'BRIEN].

Mr. O'BRIEN of Michigan. Mr. Chairman, after judicially hearing the testimony that was presented to the Committee on Banking and Currency of the House, all Members who voted to report this bill favorably voted for the figure of 1,050,000 units to be constructed over a period of 7 years. The need for that was very clearly established. There were figures from the Census Bureau, which have never been contradicted. More than 15,000,000 non-farm-housing units will

need to be constructed by the year 1960 or this country is going to be in a dire predicament for dwelling houses and this bill meets a small portion of that need.

The main campaign against this bill as reported by the Banking and Currency Committee, has been based on exaggerated statements. Gentlemen have continued, in defiance of presentation of facts and in defiance of opportunity to ascertain personally and individually for themselves what the annual rent subsidies are likely to be, to repeat and reiterate exaggerated statements. These annual rent subsidies can go up or down. They can go up when the current income of residents is down. They will go down when the incomes of occupants of these dwelling are up. In some years there will be no subsidies at all, because they can carry their own way from the income of tenants. To contend that at all times and in all places during the life of this bill the maximum will prevail, is revolting to any man's intelligence. That is the contention which has been made in opposition to the bill, and, partially yielding to that contention, an amendment has been offered to strike 240,000 needed dwelling units from this program. I contend the amendment to the amendment should be defeated, and the amendment should also be defeated, and the bill as reported from the Committee on Banking and Currency, based on the testimony which that committee judicially considered, should be sustained.

The CHAIRMAN. The time of the gentleman from Michigan has expired. All time has expired.

The question is on the amendment offered by the gentleman from Kansas [Mr. COLE] to the amendment offered by the gentleman from Kentucky [Mr. SPENCE].

The question was taken; and on a division (demanded by Mr. COLE of Kansas) there were—ayes 54, noes 90.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Kentucky [Mr. SPENCE]. The amendment was agreed to.

Mr. REES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

The amendment offered by Mr. REES: On page 24, strike out all of the remainder of page 24 down to and including line 15 on page 51.

Mr. REES. Mr. Chairman, my amendment strikes out title II of the original bill. It is the title that prescribes for so-called low-rent housing. Most of the discussion during the past several days has been with respect to the need of slum clearance in a number of the large cities of this country. I am in accord with the view of many other Members of this House that slum conditions in many of our areas are a disgrace and a blight upon our country, and so I want it understood that I am in favor of the provisions of this bill that afford an opportunity to the cities and communities to clear up the slums with Federal assistance.

Mr. Chairman, I call your attention to the fact that only 10 percent of the

money expended under this bill will go for slum clearance. The remainder will go for so-called low-rent housing. In other words, the committee brings a bill to the floor of the House insisting that the greatest need of all in this country is slum clearance, and then submits legislation to spend somewhere between sixteen and twenty billion dollars, and only 10 percent of it to take care of the slums of America.

Mr. Chairman, here is a chance to be realistic. If you really mean what you say, then use the funds provided in title I of this bill, match it with those of cities and communities who are willing to clean up the undesirable situation that exists in many of our cities.

Here is your opportunity to help the poor people of this country, the people who live in crowded dwellings, the people who do not have a chance to help themselves, to find better places in which to live. Here is your real chance, your opportunity to do something for humanity that is sorely neglected and ought to be done.

Let me say again I am in accord with those who feel that we need more and better homes for the people of this country. It is my view that a much more practical and better way to solve the problem is to continue a liberal constructive program of approving loans for new homes. Let people buy these homes and pay for them over a period of years. Continue the 90-percent loans on moderate-priced dwellings at low interest rates. Give the families of this country the opportunity of paying for their own homes rather than expect them to live in these so-called low-rent dwellings for the remainder of their lives without a chance of buying their own homes.

Mr. Chairman, much has been said with respect to veterans' housing. I am in favor of a liberal program whereby the veterans may be given a chance to buy moderate-priced homes, but let us not put them in Government houses under a rental program. Give these veterans an opportunity to buy homes of their own on just as liberal terms as may be done, but do not make tenants of them for the rest of their lives.

Mr. Chairman, I call your attention to the fact that if this bill is enacted into law practically all of the funds expended thereunder will go to a few of the metropolitan areas of this Nation, and not much of it will be spent in other parts of these United States. Incidentally you will slow down home building in other areas.

Mr. Chairman, the so-called low-rent housing program takes care of a comparatively few people. Those who qualify are required to have a certain income. Otherwise they are not entitled to live in these homes. According to figures submitted by the committee, not more than 10 percent of the people whose salaries are between \$1,500 and \$2,500 per year will have a chance for these homes. So you will have a situation whereby you are dividing the people of this country into separate classes, one group being subsidized in the payment of their rentals and another group with similar incomes who are paying for their own homes or paying rent to private owners.

Mr. Chairman, let me call your attention to one thing more and that is that this program does not build more homes for more people. We have just so many builders in this country. The same people who will build the Government houses are now building private homes. The same materials that go into these Government built units would otherwise go into units for home owners, or at least prospects for home owners. The money that goes into the Government built houses will be spent in congested areas. The money under private building will go to all parts of the country.

Mr. Chairman, we are in the midst of a huge building program now. Large funds are being provided in the way of loans to assist with this program. We had a record program in 1948. More than one million houses were built. I am informed a million more will be built in 1949. Under this legislation you are going to reduce the present building program and permit the Government to carry on, which will be more expensive and far less satisfactory.

This program is far reaching. It will commit the people of this country to an expenditure of \$20,000,000,000 over the years. As a matter of fact, it is likely to cost even more than \$20,000,000,000 because more and more cities will be asking for Government assistance as the years go by.

Mr. Chairman, after you have embarked on the policy outlined in this bill, no one can predict the end of it. It is not for the best interests of your country and mine. It has been said that the program compares with appropriation of funds for road building and things of that kind. The difference lies in the fact that the roads are built for the general public, for everyone who wants to use them, but low rent housing will be for a selected few. Even at the outset not more than 10 percent will be permitted to use it and it will be for people who must be able to pay the rents specified by the Government, otherwise they will be evicted. Those who come under title II must be people with steady incomes and sufficient funds to pay these rents, or out they go. Would it not be better to help them become home owners and not renters for the rest of their days?

I would not be misunderstood. I am certainly in favor of better and more comfortable homes in this country, on the farm and in the city, but I do not believe the policy outlined in this legislation will reach that objective. This is not the time to embark on a program of this kind.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SPENCE. Mr. Chairman, I wonder if we can agree on time to close debate on this title?

Mr. HALLECK. Mr. Chairman, I would much prefer if the gentleman would not press that at this time. I want to speak on this amendment. It is one of the most important, if not the most important, parts of the controversy. As a matter of fact, I had hoped that the chairman of the Committee on Banking and Currency might indulge me an extra 5 minutes in order to present what I have to say in refer-

ence to this measure as it applies to this title and the pending amendment.

Mr. SPENCE. Does the gentleman object to setting time to concluding debate on the title?

Mr. HALLECK. Debate has just opened on this amendment. I would suggest, if it is all right with the gentleman, that we proceed for a little while, then I shall certainly not object.

Mr. SPENCE. How long would the gentleman suggest that we proceed?

Mr. HALLECK. This is probably one of the most important amendments that will be offered. It has to do with the highly controversial part of this measure. I would say that we go on here for 20 or 30 minutes, then arrive at some fair limitation of time.

Mr. SPENCE. In 20 minutes I shall make the motion.

Mr. MARTIN of Massachusetts. I want to assure the gentleman that we are going to cooperate with him to the fullest extent in getting the bill passed tonight. But I do think for the moment it would be better to run along with the debate.

Mr. SPENCE. I accede to the gentleman's suggestion.

Mr. HALLECK. Mr. Chairman, I rise in support of the pending amendment and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Chairman, I thank the gentleman from Kentucky [Mr. SPENCE] for his courtesy. I have not spoken on this measure and I do not believe I can say all that I would like to say at this point in 5 minutes. I do not know whether I can say it in 10, but I shall try.

It has been said the consideration of this bill should be nonpartisan. I believe it has been nonpartisan thus far. It has been recognized that Members have spoken on both sides of this matter as a matter of honest and deep conviction.

I am supporting the pending amendment for many reasons. This amendment would strike out title II, which is the so-called public housing section. It is the section that it is variously estimated would cost somewhere from 10 to 20 billion dollars during the next 30 or 40 years.

I am not going to talk about all the reasons why I think the title should be stricken, but I am going to talk about a few of them which seem to me to be of overwhelming importance.

Mr. Chairman, in view of the economic situation in the country, a situation that every one of us must recognize, in view of the fiscal and budgetary condition of the Federal Government, in view of the insistent demand from people all across the land that we avoid deficit spending and bring about economy in Government spending, this is no time to initiate this far-reaching program by which the taxpayers of the country and future Congresses will be bound for 30 or 40 years. The only way I know to economize is to begin economizing.

I regret to say that too many of us too many times just cannot ever seem to find a place to begin. Certainly this is a bad time to commit the Federal Government to these great recurring annual costs.

Another reason I oppose title II is that it is another dangerous plunge in the direction of our headlong rush to overcentralization of control, authority, responsibility, and taxing and spending in Washington.

Thirdly, I oppose title II because I think I can demonstrate that it points definitely in the direction of the eventual socialization of housing in the United States.

Now, this is not a new problem. We had this very same thing back 10 years ago in 1939. Then, as now, the measure that was before us had passed the other body, but when it came on under the rule, the then overwhelmingly Democratic House of Representatives by a vote of 191 to 169 turned that measure back and refused to even consider it. Why, I went back and read the debate on that rule, and I found there the very same arguments that are being asserted here today against this title, and so correctly asserted. Of course, agitation for this sort of legislation rather subsided after that time. Then we came into the housing shortage that confronted us during and after the war, and it is again being called up.

Now, so far as the housing shortage is concerned, let us not forget the fact that in 1947 and 1948 we built more housing units in this country than had ever been built before, and we are licking the housing shortage now. We are doing that in the traditional American fashion.

Another thing to be understood is that everyone wants better housing and better conditions for the people of America. That is the American spirit and it is entirely proper. But, the real question is: How are you going to obtain it?

Let us go back to these things that I talked about originally. Should we undertake this expenditure now? We all know we are in for a big deficit this year, and we are in for a greater deficit next year. The chairman of the committee has stated that the power to tax is the power to destroy. Yes, my colleagues, the power to tax the American people in ever-increasing amounts is the power to destroy the very fundamentals of our system of competitive enterprise and free Government.

I have referred to the economic slump in which we find ourselves. I have referred to the demand of the people across the country for economy. You may have noticed that 60 some Members in the other body have joined in an economy group. It is all right to join an economy group, but as I said before, the time has come to get down to the accomplishment of economy.

Polls have been coming in here on this matter of public housing. The newspapers out in my State have run those polls, and when the people out there saw the price tags attached—and they just started a few days ago—let me tell you what happened. One hundred and fifty-three ballots came into my office

against public housing, and seven were for it. Does that not mean anything to you?

I resent the implication that some sinister force has dictated the action of those people I am privileged to represent. They have signed their names. Many of them I know. They are God-fearing, honest American citizens, who are genuinely disturbed about the reckless expenditure of money that we do not have. They have no ax to grind.

Why, one of the worst features of this whole spending business growing up in the country is that too many people would try to make it appear that the money coming out of Washington is free money; that it does not cost anybody anything. That is the most cruel deception that could ever be practiced on the American people. There is no wealth to be taxed except as it is found in one of the 48 States. But as I say, it seems if you get it from Washington, that is all right.

The second reason I object to this is the matter of overcentralization of control and taxing and spending in Washington. I think it is axiomatic that the closer you get the spending of the taxpayers' money to the collection of it, as when it is done locally in the States, then the greater the resistance to waste and extravagance. Is that not a desirable thing? To me it is.

Let me say to you also another thing, you people who still believe that the States ought to be something besides geographical boundaries, who believe in the fundamental concepts of our dual system of government as created in the Constitution: You keep on bringing all these things to Washington and one day the citizen will lose his interest in local self-government and government in his State, and when he loses that interest we in this country will have lost our capacity for self-government.

The third thing I mentioned was the matter of socialization. I trust you will bear with me when I say that I do not like to characterize in these glowing generalities anybody or anything, but I am entitled to my own convictions about it and my own philosophy and my own view, and this time I happen to think my view is sound.

I remember right after I came to Congress a right important man made a speech in which he said that one day all housing in this country would be furnished at the taxpayers' expense, and all medical attention would be furnished at the taxpayers' expense. Now let me ask those of you who say there is nothing socialistic about this bill, if all housing or substantially all housing were provided at the taxpayers' expense, would not that be socialized housing? No one can deny it, even as it would be socialized medicine if the Government were furnishing all the medical attention to the people of the country.

To my mind, there is a vast difference between an enlightened, civilized society helping people pay their rent or pay anything else when their incomes will not stretch far enough to take care of them, and putting the Government into the business of building houses and being the landlord, and renting the

houses to the people at rents less than the properties would bring if they were on the market.

It has been said here, and I think with complete truth and veracity, that this is but the beginning. Once the policy is adopted, what are you going to say when the pressures go on to provide this same sort of housing at the taxpayers' expense, in part, at least, to other millions of people who stand in exactly the same position as do the people who will occupy these first units that are built? And what will you say to others who demand the same treatment by their Government. Where will be the resistance to say no? Where will the end be, the end to which we will finally come when we must say whether this Nation shall continue to be a nation of homeowners, yes, or renters, renting their own properties, where they want them and the kind they want, as against a nation of people who are tenants of the Government of the United States?

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I always like to listen to my distinguished friend from Indiana because he has a lot of fire and a lot of personality, but I have always expressed the hope that someday I would see him exercise that capacity and personality and fire in something constructive, supporting constructive legislation which concerns the welfare of human beings, that considers the human values of our country as well as the dollar value. Human beings are the backbone of our country. I do not believe in destroying anything to bring about improvement. But I do not think the Congress of the United States should subordinate human values to property values or dollar values. I am hopeful some day that my distinguished friend will be found on my side fighting the cause of human values when circumstances justify and require it.

My friend says that we should not pass this for three reasons. First, on the ground of economy. Last year it was on the ground that it was the socialization of housing, in other words, socialism, that it should not pass.

The plea of economy was not advanced last year. The Republican leadership, and I say this as a matter of history, controlled the situation then, so that they would not permit a bill to be brought up in the last Congress allowing the Members to pass upon the question of public housing, or low-cost or slum-clearance projects. Members on both sides urged that such action be taken. A bill had passed in the other body. Yet we were denied even the right of a motion to recommit. Legislative processes never intended under the rules were resorted to to take away from the minority even its time-honored and traditional right to a motion to recommit. Not even a closed rule was reported out, and under a closed rule they could not take away the right of the minority to make a motion to recommit. A motion to recommit is to enable the minority to establish its record before the people of the country. Resort was had to suspension of the rules. You do not find the Democratic leadership resorting to suspension of the rules on far-reaching legislation.

Every bill of a far-reaching effect and of a general nature will be brought up under the general rules of the House, or under a closed rule, if necessary, and if the circumstances justify, preserving the minority right to a motion to recommit.

This year it is the plea of economy. Last year it was socialism. Each and every individual Member was denied the right of offering an amendment and the Democratic Party was denied the time-honored right to make a motion to recommit.

Now, we have another charge that this is another dangerous step toward overcentralization of control in Washington. This bill does nothing of the kind. Nothing can be done unless it starts locally. The Federal Government cannot start anything under this bill unless the local housing authority initiates it, and files their application. The Federal Government cannot go into Boston and establish a housing project, whether it is a slum-clearance project or a public-housing project if the Boston Housing Authority does not want it. They have no authority to do so, and they cannot do it in any other city or town.

It starts locally. Everything starts locally. The bonds are sold to private interests. The work is done by private contractors submitting bids. Naturally, if the Federal Government is putting money into this, after these projects are initiated locally and approved, the Government should have the right of supervision to see that the Federal money is spent in the right way and that there is no corruption or wrong things done.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts may be permitted to continue for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McCORMACK. So, Mr. Chairman, everything is done locally. The Federal Government's activity amounts to supervision to see that the money of the taxpayers is spent in accordance with the law. If we did not do that, we would be recreant in our duty. Everything is initiated locally. We even lease these projects to local authorities and they pay rental to the Federal Government. After a number of years, when they have paid it off, the local housing authority, the local government, the city of Boston, for example, will own it. We are doing it now in 265 or 268 projects throughout the country. They are paying them off. When it is paid off it is owned locally—not by the Federal Government. The Federal Government is used as a bank to try to bring about social and economic advancement. It is all done locally and administered locally, and ultimately the local city or town, through its proper agency, will own the project, whether it is slum clearance or whether it is public housing.

On the question of socialism, I addressed myself to that the other day. I do not want to get into it again. It is

our Government performing its secondary function of government. Many people honestly confuse socialism with the Government responding to its secondary function of government. I will agree that if the Government stepped in and took over a collective community, that would be a step in that direction. But this is just the opposite. This tends toward ownership locally. This is being administered locally. It is all done on the local level. It is consistent with our dual form of government. The whole bill is drafted consistent with the theory of State rights, and the Federal Government coming in in its proper place, to try to help the city, State, or local government in its problem.

What about subsidies to the farmers? If a subsidy to meet the social and economic problems of a nation is socialism, the subsidy paid to farmers is socialism. The gentleman from Indiana [Mr. HALLECK] voted for that. But I deny that it is socialism. I said the other day that if we confined our legislation only to the industrial phase of the Nation, we would destroy agriculture. We have to give agriculture proper consideration to live. The legislation that we passed has been in an effort to enable agriculture to guard itself against inevitable results. We protect industry with a tariff. The farmers, with an exportable surplus, are compelled to sell on a world market. You and I know that from experience. So, if my friend is sincere, he would vote against that, on the ground that it is just as much socialistic. But I deny that it is socialism. I repeat, it is a dynamic democracy, meeting the problem, trying to meet it to the satisfaction of the national interest.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SMITH of Ohio. Would the gentleman point out, in either the old low-rent housing law or the one under consideration, where it provides that these projects will be owned by the local community or the municipalities, after the projects have been paid for?

Mr. McCORMACK. Well, I was speaking for Boston. The city of Boston has an agreement, through the Boston Housing Authority, to pay a certain amount each year. Some of that is on account of the principal. When it is all paid off, then the Boston Housing Authority owns the projects, for the city of Boston.

Mr. SMITH of Ohio. Do you have such an agreement in writing?

Mr. McCORMACK. That is my understanding.

Mr. SMITH of Ohio. I think you are mistaken. If you will read the bill—

Mr. McCORMACK. I am talking about the 268 projects in existence now, as a result of the 1937 act. It is initiated locally, administered locally, and there is no overcontrol as far as Washington is concerned.

Mr. SMITH of Ohio. I think the gentleman is mistaken.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has again expired.

Mr. McDONOUGH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment and wish to call the attention of the House to the figures as they resulted from an election in California on November 2 last on a proposition similar to the bill that we have before us. I doubt if there is a State in the Union that needs public housing any more than the State of California. We are increasing our population to the extent of some 26,000 a month from all parts of the Nation. It was at a free election at the same time that there was a Presidential election and at the same time that President Truman carried the State by 12,000 votes. At that time the people from all parts of the great State of California voted "no" to the total of 2,372,646 and "yes" to the total of 1,042,089. In other words, there was a 2-to-1 vote cast against public housing, and in every one of the 58 counties the vote showed the same proportion of 2 to 1. I know that the vote in my congressional district was "no" 2 to 1, and I believe the figures will show that the vote was 2 to 1 "no" in practically every congressional district in the State. The only section of the State that showed any figures in favor of it were two assembly districts in the northern part of the State of California.

What did that proposition offer to the people? It was a constitutional amendment; it was fully publicized; everyone had an opportunity to know what it was all about. It set up an authority that would give the privilege of calling on the treasury of the State of California to the extent of \$25,000,000 annually. It gave the State housing authority authority to issue bonds to the extent of \$100,000,000 to build low-cost housing; yet the people said "No" to the extent of 2 to 1.

Coming back to the bill under consideration, H. R. 4009, in my opinion it is just as discriminatory as the Barden bill which has not yet arrived on the floor of the House. But as we know from mail we have received about it from all parts of the Nation, it is perhaps the most discriminatory piece of legislation we have had yet before us. What does the Barden bill do? It states in effect that for every school child between the ages of 5 and 17 in any State the Government will pay to the extent of \$5 per capita, and then it states that that money cannot be spent in any State on any school child that is not in a tax-supported school.

What does this bill H. R. 4009 state? It states that all of the taxpayers of the Nation must put up \$308,000,000 a year to take care of housing for 810,000 people, when we know by the census that there are many many more than 810,000 people who need low-cost housing. If it is the responsibility of the Federal Government to supply them with low-cost housing the bill is discriminatory because you cannot take care of the number who need to be taken care of, and you are only opening the door of opportunity to a few and denying many. You expand this kind of philosophy into a further extension of the use of Federal funds for the purpose of providing subsidized housing for those who cannot or will not supply it for themselves.

It has been argued here that this bill is no more socialistic than, say, the public-school system, the road system, and the sewer system. That may be true; as a matter of fact, we all contribute to the sewer system, and the public-school system, and the fire department, and other similar things; but we all have the right to use them. In this instance while we all contribute, yet only a privileged few have the right of use.

You have heard the argument that these 810,000 so-called low-rent housing units will provide a turn-over over a period of years. I venture to say that favoritism will be granted to those who are in and that the attitude on the part of those who are in will be that they will not want to increase their earnings to the point where they might have to get out because it would be a poor thing for them to do when they know they are under the patronage of the Federal Government and receiving subsidized rent, in Government housing.

I repeat that this bill (H. R. 4009) is just as discriminatory as the Barden bill for aid to education which all of us have heard plenty about from all parts of the Nation. People are opposed to the Barden bill because it requires payment of \$5 per capita for all school children in any State and thus provides a penalty for spending any of that money on any private-school children in any State. This is rank and unfair discrimination.

This bill does the same thing in a different manner but with the same effect. House bill 4009 requires all taxpayers to provide \$308,000,000 per year for 40 years in order to provide low-rent housing for only 810,000 taxpayers, thus discriminating against all other taxpayers who may need low-rent housing just as badly as the 810,000 who may get it.

But under the terms of H. R. 4009 everyone pays and only 810,000 families in the Nation benefit. Here everyone is penalized for the benefit of a few. That is special privilege of the highest order, and the very people who are supporting H. R. 4009 have been crying to high heaven against special privilege for years.

The gentleman from New York [Mr. ROOSEVELT] said last week that this bill would mitigate against communism. Question: Will making a man and his family beholden to and a recipient of shelter from the Government do this? Will telling a man that he can live in Government-owned housing as long as he does not earn more than so much money and that the moment he exceeds that amount of money he will be thrown out and evicted tend to mitigate against communism?

Of course not. Making a man subordinate to the state is the first order in a Communist state as it is in the Fascist state. Now let us see what Hitler and Mussolini did about public housing in order to make their subjects beholden to the state.

With regard to providing public housing for low-income groups, it is pointed out that this was one of the basic items in the program of the Fascist-dominated countries. As indicated in *Fascism in Action*, a publication prepared by the

Library of Congress, these Fascist governments, upon advent to power, found some provisions for public housing already in effect, as well as a housing shortage which threatened to undermine the state's program for larger families and an increasing birth rate. In general, the Hitler government concentrated its plans for building in the direction of low-cost housing for workmen and employees. The housing program under Mussolini followed the same general pattern.

It has been said that there is no politics in providing low-cost public housing. Well, let us see what one of the top-flight experts has to say about that.

In his book, *The Challenge of Housing*, Langdon W. Post, former chairman of the New York City Housing Authority and nationally known proponent of public housing, said:

In a housing program there is land to be bought, houses to be built, and tenants to be selected. Each step holds great possibilities for the politician and the businessman. The real-estate operator has land to sell. The banks have had mortgages which they are anxious to have rescued. The architect has plans for sale. There are building contracts to be awarded. The inhabitants of the slums are tumbling over themselves to get into the developments, which means that there will not only be the usual jobs for those in control to give out, but apartments as well.

This last plum is a new brand of political fruit which has enormous possibilities for exploitation. Imagine the golden opportunities latent in a \$500,000,000 housing program in New York City. Commissions, profits, fees, jobs, and finally, apartments for at least 200,000 voters. It is a bonanza beyond the wildest dreams of the most optimistic politician.

And now a word about supplying food as well as housing to some of the people of the Nation at the expense of all. H. R. 4009 provides for a grant of \$500 as an outright gift to an estimated 50,000 farmers plus a loan to build farmhouses and other buildings, and the Secretary of Agriculture can, on his own motion, declare an unlimited moratorium on the principal and interest on the loan. Now we are giving support prices to farmers as a guaranty against loss on certain crops which in many cases exceed the cost of food for the farmer's family.

Are we not by this action providing food and shelter to a segment of the people at the expense of all? And when, may I ask, will we not be called upon to provide the other essentials, clothing? Thus making the three essentials of living, food, clothing, and shelter, available to some favored few at the expense of all.

I urge the adoption of the amendment submitted by the gentleman from Kansas.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on title III and all amendments thereto conclude at 3 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. HALLECK. Mr. Chairman, reserving the right to object, the pending amendment is to strike all of title III. It would seem to me in view of that circumstance, and not knowing how many other amendments there might be if the title is not stricken out, it would be well

to limit the time on the striking out of the title, then proceed with the other amendments to the title if there are to be such.

Mr. SPENCE. I will agree to that.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment to strike out the title and all amendments thereto conclude at 3 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. WOLCOTT. Mr. Chairman, reserving the right to object, I assume from what the gentleman from Kentucky said just previously that perhaps he unfortunately misstated the unanimous consent request. Do I understand that the unanimous consent request is that all debate on the pending amendment, which would strike out title III, close at 3?

Mr. SPENCE. Yes, and all amendments to the pending amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. WILLIAMS. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on the pending amendment and all amendments thereto close at 3 o'clock.

Mr. KEEFE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEEFE. I understand the amendment which is now pending is one that was offered by the gentleman from Kansas [Mr. REES] to strike out title II, is that right?

The CHAIRMAN. The gentleman is correct.

Mr. GOSSETT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GOSSETT. Mr. Chairman, if the motion is agreed to, then would the remaining time be divided equally among all gentlemen standing?

The CHAIRMAN. All gentlemen who want to speak on the pending amendment.

Mr. GOSSETT. We would have about 1 minute each?

The CHAIRMAN. The Chair is unable to determine that at this time.

The question is on the motion offered by the gentleman from Kentucky [Mr. SPENCE].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 131, noes 45.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. GOSSETT].

Mr. GOSSETT. Mr. Chairman, I rise in support of the amendment. The gigantic public housing feature of this bill is, in my judgment, a two-edged sword, one edge of which cuts the heart out of the American economy, and the other the heart out of American character.

The distinguished majority leader addressed himself to human values, the human equation. That, too, gives me

greatest concern because all other values are relative. You do no one a favor if you fill his stomach and empty his back-bone in the same operation. When we build gigantic public housing projects and subsidize the tenants who live in them, we tend to destroy thrift, initiative, ambition, and many other worthwhile attributes of character and citizenship. Think what would have happened to you as a boy if you had been told when you became a man if through circumstances or otherwise you were unable to build a home, that the Government would furnish it to you. I submit that this public housing feature of this bill pushes us many miles farther down the road into national socialism. The chips are down on this, gentlemen. You will have to choose whether or not you want American democracy or choose to embrace some sort of statism. This is simply the first installment on this matter of subsidizing low-income families in the matter of housing. If you subsidize John Doe this year and not Richard Roe the next year, you will make Bolsheviks out of both of them. The time has come when we must call a halt on unrestrained public expenditures, or else we will be called upon in the next session of Congress to raise taxes, and ultimately to devalue the dollar, perhaps to repudiate debts. If carried to its logical conclusion the public housing provisions of this bill mean economic and social chaos.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. HERTER].

Mr. JUDD. Mr. Chairman, I ask unanimous consent that my time be allotted to the gentleman from Massachusetts [Mr. HERTER].

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GAMBLE. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. NICHOLSON. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HERTER. Mr. Chairman, I regret exceedingly that my distinguished colleague, the majority leader, does not appear to be on the floor at the present time. He began talking about public housing in the city of Boston, and I wish he had continued talking about it, because I think there are certain phases of it that would be of great interest to the Members of this House. It is true that we have considerable public housing already in the city of Boston. Furthermore, we have available to us in city funds and State funds some \$58,000,000 still unexpended for public housing, all of which could be transferred to the Federal Government. The last project that we constructed, 1,044 units, cost \$15,322,000 or \$14,863 per unit to construct. That, when taken over by the Federal Government, is going to take a subsidy of colossal proportions to hold

rents down to what you might call low income families, and the rest of the country will have to pay for it, if as is possible on page 76 of this bill, that project is taken over under the bill we now have under consideration.

But that, Mr. Chairman, is not my principal objection to this title. My principal objection to this title is that the Federal Government is building all of these projects, and let us not fool ourselves. We are building them, and we are not willing to face the cost of building them directly. We are meeting the cost by an indirect method of financing that to my mind is completely dishonest. What we are doing is wishing on our children and our grandchildren—and I do not believe there will be a Member of this House alive at the time we finish paying for what this bill calls for—something that is an outright gift to the cities and towns, for which not one nickel will ever be repaid. If we are going to go into the business of making gifts, let us make them honestly and put this thing on a capital-grant basis, and make an outright present of it to each city and town for low-cost housing. Let us not fool ourselves by tying up the Congress of the United States for the next 45 years with promises to pay that are absolutely irrevocable. What we do here today in this particular phase of the bill can never be undone, because the credit of the United States is pledged. One man, one individual, can sit down and pledge the credit of the United States to the extent of \$12,000,000,000 for the next 45 years, without any recourse on our part whatsoever. That to my mind is the worst part of this title III. That to my mind is a completely improper way to finance gifts. No matter how desirable the housing may be, that is an entirely improper way of doing it.

Let us not kid ourselves about these subsidies. These subsidies go way beyond the mere construction cost of these buildings. The Bureau of the Budget said, "No; they do not go beyond the construction costs," but they go way beyond the construction costs.

Over and over again it has been said here on the floor of the House that the amount of the subsidy that will be paid on the projects will be flexible, that year after year we will change it in accordance with the ability of the people to pay rents. The bill itself states that contracts have to be made in uniform amounts for a uniform number of years, and insofar as the pledge made for the public financing is concerned, that cannot be touched in any way whatsoever. This means that after we have given these buildings away—and we pay for them entirely—there is a surplus in this annual grant, and a very considerable surplus, and that will then be handed out as the Administrator wishes to hand it out to each one of these projects not only to pay for the carrying costs of the building, but to pay for janitor service, for light and heat, and so on. Is that the kind of thing we want to do, or do we want to do what the President has said and what the Bureau of the Budget has said?

There is a complete conflict in what has been told here as to what kind of a

subsidy program we are engaging in. As I have said before, Mr. Chairman, to me, irrevocably committing the Congress, without ever going to the Committee on Appropriations in any way, shape, or form for a period of 45 years, through contracts entered into by a single individual, is not proper finance. It is a terrible precedent to set here. We unfortunately began it in the 1937 act, and we began it in very small amounts. We should never have carried it into this program. This program is 12 times as great as the program that was contemplated in 1937, and that was considered a colossal start then. What will the next one be, when we begin wishing the payment of the costs of these operations onto our great-grandchildren in larger and larger amounts that do not look too big in 1 year but which, when they accumulate over a long period of years, make a commitment that we are all going to rue.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. BIEMILLER].

Mr. BIEMILLER. Mr. Chairman, a little while ago the gentleman from Indiana [Mr. HALLECK] made reference to some recent newspaper polls on the question of public housing. I should think even the gentleman from Indiana would by now be very suspicious of the kind of newspaper polls to which he referred. Certainly the results of November 1948 should have forever discredited that type of poll.

What I want to refer to is the kind of poll I think the Congress should be paying attention to, and that is the election which took place in November 1948. Certainly the issue of public housing was clearly fought out in that campaign. Certainly the people of this country said quite plainly that they recognized that in the field of low-cost housing private industry had failed utterly to meet the needs of the people and that it has become absolutely essential for local housing authorities with financing help from the Federal Government to solve this problem. My own city is a case in point. For years the people of Milwaukee had prided themselves on being a debt free city. In April 1948, for the first time in 20 years, they voted to issue bonds to start their own local public housing projects. The public housing authority, acting upon that mandate given them in April 1948, has started three projects with local funds.

It is also worth noting that every candidate in the 1948 Milwaukee mayoralty election—15 in all—spoke for public housing. The two who made the runoff were the most vocal. The winning candidate, Mayor Frank Zeidler, testified for this bill.

A further mandate for public housing given in November 1948 when the city went overwhelmingly Democratic, both successful congressional candidates stressing this issue. The Milwaukee Public Housing Authority has already prepared plans for additional housing projects, anticipating the passage of this bill. We in Milwaukee are ready to go. The Nation is ready to go. It is high time the Congress acted.

Remember the Eightieth Congress rejected this bill. The people rejected the Eightieth Congress. They want public housing.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, I think it is self-evident from all the reports we have been receiving that the Government cannot build as cheaply as private enterprise. From the New Haven (Conn.) Register of last Sunday, we learn that the most recent public housing development there is costing people with incomes of about \$3,600 a year from \$65 to \$80 a month. Now, the mean of rent on privately constructed comparable accommodations is something like \$40 a month.

I also want to call attention to the fact that we are catching up with housing in the United States and that in 1946, when the Government had control of every ounce of building materials which was going into housing or which was being allocated for that purpose, we produced only something like four hundred and fifty-and-some-odd thousand units. In 1946, after the control had been taken off, private enterprise built 854,000 units and in 1948 according to the Bureau of the Census they constructed 1,018,000 units.

Much has been said about the doubling-up situation at the present time. The Bureau of the Census says, and the last report is dated 1947, that in 1940 there were 3.06 people in each housing unit and in 1947 there were 2.87 people in each unit, which shows there is not nearly as much doubling up and that there was much more floor space available in 1947 than there was in 1940.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GWINN].

Mr. GWINN. Mr. Chairman, I think if we could agree on one thing, that would settle this debate and we could come to a vote quickly. Can we not agree on what socialism is? The majority leader simply raises the point and says, "I declare this is not socialism"; but he does not define it.

The honorable chairman of the committee, the gentleman from Kentucky [Mr. SPENCE] turns red in the face when you say socialism, he despises it so. Then it follows, does it not, that we would all reject this proposition if we could agree that it is socialism that we are adopting.

You do not get a completely socialized housing program all of a sudden, by taking over the management of the economy of housing. Socialism is nothing but management of the economy by the central power of government. Our Government has been managing the economy of housing by credits, direct loans, and insurance, up to about 70 percent of all housing during the last 16 years. The housing bill we are now considering is a logical continuation of the same socialism. We have had a logical consequence of socialism itself. That management and control has created the need—even many of the slums that are proposed to be cleared. It owns or holds the mortgages or imposes the burdensome taxes that destroy liberty and makes freedom

of enterprise in housing impossible. Liberty or the free enterprise has not failed, but the socialism that has already taken its place. Confidence in liberty and the rights of property as the proven source of better housing should be restored and the amendment striking out title 2 adopted.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Chairman, I am sure we have heard today the conflicting philosophy of those who have very sincere and deep feelings on this legislation. We are living today in an urban civilization, one in which conditions in our great metropolitan areas, conditions of blight, poorly housed families, people with large families, people who are living doubled up, in trailer camps, and many who are unable to pay economic rent at the prices at which private enterprise is able to offer these properties and make them available.

It has been said that this bill will not meet the entire needs of our people in their plight. There has not been a Member on this side of the aisle, on the committee, who has said that this bill is the sole answer to the question of slum clearance or of homes for those who are living in almost uninhabitable dwellings. This is merely a start to try to direct our efforts toward making it possible for a larger percentage of our people to have a decent place in which to live.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CRAWFORD. Mr. Chairman, I am in favor of striking title II from this bill. I do not believe in the philosophy which it sets forth. It is a politician's dream. It is a delusion and a snare to the people of this country, the means of financing it will be strictly political taxes, assessed for political purposes.

I agree absolutely and categorically in what the gentlemen from Texas said a while ago about this whole scheme. I would rather my own son, who is now 16 years of age, died in his youth, than to have to grow up in a country where he does not have the liberty and freedom such as this country has given to our boys and girls through the years.

I have no sympathy whatsoever for a Government if it comes out and robs its people of the chance of making their own way through their own initiative.

What this Congress should do is to preserve the country and its institutions so as to give our people opportunities, instead of trying to buy them off with political promises. It is difficult for me to have respect for politicians who make such promises to the voters of this country. I wish title II could be stricken out and forever erased from the history of this country.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The gentleman from Georgia [Mr. WHEELER] is recognized.

Mr. WHEELER. Mr. Chairman, I rise to ask one question of the Committee on Banking and Currency, and if they can justify what has happened in one city in my district then I shall vote against

striking title II from this bill. If they cannot justify what has happened in Brunswick, Ga., then I shall support the striking out of title II.

In 1942 and 1943 there was built in Brunswick, Ga., a public-housing project of approximately 2,100 units, built of jumbo brick tied together with concrete, with concrete floors and asbestos roofing. Within the past year some person in one of the bureaus down here determined that all of those units were temporary, and within the past year under his finding, two-thirds of those units have been demolished. Now the Public Housing Authority of the city of Brunswick is asking for approximately \$6,000,000 under the provisions of the pending legislation to be sent back to Brunswick for public-housing units. I should like to have that inconsistency satisfactorily explained.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The gentleman from Oregon [Mr. ELLSWORTH] is recognized.

Mr. ELLSWORTH. Mr. Chairman, I wish to point out to the committee that there are two completely separate and distinct philosophies expressed in this bill before us today; one is contained in title I of the bill, namely, the slum clearance provisions; and the other is contained in title II, regarding which an amendment is now pending to strike it from the bill. Title I of the bill is a slum clearance title; title II, in my opinion, and I think it is a justifiable and supportable opinion, is a slum promotion title. Let me explain why I say that.

When title II becomes law and two-hundred-and-some-odd-thousand units are built this next year there will be picked out in the dozen or more large cities of this country where these units will be built, certain families to go into these units. When they are placed in these units they are thereby branded and grouped together as low-income, or poor families. That is a principle to which we have always objected in this country, singling out and labeling anyone because he is not as fortunate as his fellows, perhaps does not make as much money, or is not able to live quite as well. Title II is really a slum promotion title and should be stricken from the bill.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, in support of this amendment we have heard rehearsed all of the arguments that have been made against the bill, those based upon fact as well as those based upon misstatement of fact and distortion of fact. I am not going to undertake now to try to answer them. All of those arguments, in my opinion, have been thoroughly demolished by the debate thus far.

The sponsor of this amendment to strike out the public-housing title of this bill has come forward with a new argument against the bill. He told you that if you strike the public-housing provision you can still have the slum-clearance title and that with that you will get slum clearance. We sat here yesterday and watched almost every Member on

the Republican side vote in favor of the Powell amendment to the slum-clearance title which provides that slums may not be cleared except that you make provision for the housing of the people living in those areas. Now you want to take away the provisions of the bill under which we intend to create the housing to house those people. At the same time you try to tell us that if you delete this title but keep the other title you can have slum clearance. Where are you going to put the people from the slums unless you build houses under this title to take care of them?

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. FISHER].

Mr. FISHER. Mr. Chairman, I shall vote to strike out section 2 of this bill because I consider it unwise, unsound, unnecessary, and unjustified. It would have the effect of setting the stage for more and more and more subsidized nationalized housing in the future which I consider to be an improper thing and a dangerous departure from the methods we have followed in the past. It means a greater burden on our taxpayers, more bureaucracy, and more deficit financing at a time when we should be trying to balance the budget and pay off some of what we owe.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, the distinguished gentleman from New York in his remarks said that when socialism was mentioned my face turned red. My face neither turns red from rage nor white from fear when socialism is mentioned in connection with this bill. I think it is a fake issue, it has no merit and should not be brought into the discussion or the consideration of the House here at all. If I thought this measure was socialistic and was drifting our Nation toward socialism I would be opposed to it. I would be much embarrassed and humiliated if I thought in order to help the American people we had to resort to socialism.

A gentleman has just read some quotations from Thomas Jefferson. Knowing something of the history of Thomas Jefferson, knowing his interest in the plain people, knowing his desire that they should have a voice always in their Government, I am sure if Thomas Jefferson were here today there would be no more earnest advocate of this legislation than he. We have already considered this amendment. Some time ago the gentleman from Kansas [Mr. COLE], offered an amendment that would have gutted this title. You voted it down. Then you subsequently voted for the amendment I introduced for 810,000 units.

You are just running around in circles, considering an amendment the purpose of which has already been considered by the House.

Mr. NELSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. NELSON. Mr. Chairman, I rise in support of the amendment. Unless

the amendment is adopted I am going to vote against this bill. I shall do it with the sincerest conviction that I am voting in the interest of the working men and women of my district. I have never seen or talked with the so-called real-estate lobby that has been name-called in demagogic fashion here to beloud the truth that men can be sincere and still differ in the means of achieving a humanitarian result. I realize, I think, the essential need for new housing in America.

I have no fear of the word "socialism" if that is what the American people want. I have a most urgent fear that socialism will be foisted upon the American people by the philosophy of despair and politically expedient liberalism too prevalent in Government circles today. Socialism means government ownership and operation of the major sources of production. It has as its inevitable counterpart government ownership and assignment of living space.

What is the American alternative? Our entire system has been built upon the right to private ownership of property. Presumably America should offer to every citizen equal opportunity to own a home. The desire that lies deep in the heart of every American man and woman is to build and own his own home and raise his family in surroundings of his own creation. Your answer to this desire is politically allocated living space in Government-owned buildings. If this bill were a temporary measure designed to meet an emergency, it might well be justified. I should vote for it. But it is not merely a temporary program. It is one that extends for 40 years and will cumulatively freeze more and more thousands of Americans as tenants of the Government and deprive them of an essential American right because of the increasing burden of taxes necessary to support the Government program. It changes the whole basis of our society from private to public ownership of housing. I do not for one moment believe that any veteran fought for the privilege of living out his days in Government-allocated living space.

In our philosophy of despair we abandon one of the greatest bulwarks of the American system. An America that can out think the world in technical and scientific developments cannot solve its own economic problems on the basis of our own truths based on the desires of every free workingman for his own home. We borrow in helplessness from a completely alien philosophy bred of the despair and exhaustion of European governments that long since would have toppled had they not been bolstered with American dollars.

I have no sympathy with those who maintain that slums can be cleared by private enterprise in conjunction with local self-government. It never has been done; it never will be. I believe this is a field which the Federal Government must enter and as soon as possible. Let us appropriate money to do that job. This bill has no direct relation to slum clearance. Prior Federal housing laws have provided that for every Government housing unit built an approximate number of slum units must be cleared. This

bill has no such provision. It is easily conceivable that billions in Government housing could be built and not a single slum cleared.

Let us clear the slums and after we have done that, let us solve housing in an American way. Let us provide credit terms that will enable the low-income groups, whether as individuals or cooperatives, to own their own homes, whether in single- or multiple-dwelling units. Let us find means to reduce the cost of building materials instead of increasing them as this bill would immediately do. Let us provide cheap, non-speculative land. Lastly and very importantly, let us increase their take-home pay by cutting out inefficient and nonessential Government expenditures and then repealing the heavy wartime excise taxes that fall largely on this group and increasing the income-tax exemptions in the lower brackets to a minimum living standard.

This bill has no provisions that approach this solution to the problem. On the contrary, it ties up billions of dollars over the next years, dollars that will be added to our already staggering national debt, dollars that will be beyond the control of Congress to cut off regardless of any national or international emergency that might arise, dollars that will undoubtedly prevent any reduction in taxes.

Our job is to furnish the opportunity to own a home to every American. After that we should place a premium on enterprise, not despair. This bill is almost of only academic interest to my State. Little of the money will be used there. If a working man in my district were granted as a loan the estimated cost of one unit of this Federal housing, he could build himself a fine home and pay for it easily over the period of your proposed program. I am sure he would prefer it. There is no provision in the bill that would allow such a sane approach in my own or a comparable district. Instead the working men of my district are to be taxed to build homes and pay a good part of the rent for a favored few in large metropolitan areas. By the very amount of tax they will increasingly have to pay they will be prevented from bettering their own condition and building their own homes.

It is my sincere conviction that it is time we realized that you can not lick socialism and communism by joining it. Our job is to adapt unchanging American truths to the needs of a changing times. Our job is to keep those truths dynamic so that the opportunities they guarantee shall be denied to no man. We have as a foundation the strongest political and economic system in history. Shall we tear it down and start over? Or shall we go on building with equal rights of ownership and opportunity guaranteed to all?

THE TRUTH ABOUT HOUSING

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Chairman, I believe it is my duty to vote for legislation which will assist in solving the over-all problems of building homes for our citizens.

I expect to vote for legislation which will help to overcome major problems in these three major fields of need for adequate housing:

First, I will vote for extension of FHA home loan provisions to increase the supply of homes for people who are able to make sufficient monthly payments on a long amortization basis. This FHA extension will enable private enterprise to build these homes at a fair builders profit. This part of the program is possible only because the Federal Government guarantees and stabilizes the secondary market. The FHA program is clearly the use of Federal credit for the benefit of:

(A) The home purchaser by making him able to purchase a home; and

(B) The home builder by helping him to expand a profitable business.

Second, I will vote for reactivation of the GI home building program which also utilizes Federal credit on slightly more advantageous terms, in order that the veteran may purchase a home. These houses are built by private enterprise at a fair builders profit. Again, this is possible only because the Federal Government guarantees and stabilizes the secondary mortgage market for the benefit of:

(A) The veteran, desperate for a home; and

(B) The builder eager for a larger profitable construction business.

Third, I will vote for slum clearance and public housing to meet the critical need for homes for those whose incomes are too low to permit their participation in the two programs already mentioned. These people have incomes too low to make the down-payments and the monthly payments necessary to purchase the homes their families need. They are American citizens, and their wives and children need decent homes just as much as those in more favorable economic circumstances. In time of war, their children are under the same obligation as other sons and daughters to fight and possibly die so that the rest of us may continue to live under democratic government. In my opinion, for the good of the Nation, these people must be taken out of the slums and the disease-ridden shacks, and given a chance to rear their children in a healthy environment. I believe that the strengthening of the moral fiber of this group will do more to prevent the spread of communism than any other one social advance.

It is in this area that I believe the Federal Government is obligated to extend credit over a longer term and at lower interest rates to local housing authorities to meet the urgent need. Two factors should be remembered:

(A) The local housing authority must first be authorized by State and local legislative action. Local participation in this program is purely voluntary and the locality retains control of the projects and eventually owns them.

(B) The local housing authority must rent these houses to people whose in-

come is too low to participate in the FHA and GI home-building programs.

Again, this facet of the over-all home-building program can be possible only through the extension of Federal credit, and the program will benefit:

(A) The low-income families who will be given the opportunity to live in decent American homes; and

(B) The home builder who will profit through being allowed to build these projects at a profit through the contracts let by local housing authorities.

This is not a radical program; it is a conservative program. It conserves the priceless human resources of our Nation. Forty-six of our forty-eight Governors and the mayors of our largest cities have endorsed it. Many of the most conservative Republican Members of the Senate, including Senators TAFT, VANDENBERG, BREWSTER, and CAPEHART, voted for this program, along with the liberal Members of the Senate. The 57 Members of the Senate who voted in favor of this program on April 21, 1949, are as follows: ANDERSON, BALDWIN, BREWSTER, BRIDGES, CAPEHART, CHAPMAN, DONNELL, DOUGLAS, ELLENDER, FERGUSON, FLANDERS, FREAR, FULBRIGHT, HAYDEN, HENDRICKSON, HICKENLOOPER, HILL, HOEY, HOLLAND, HUMPHREY, IVES, JENNER, JOHNSON of Colorado, JOHNSON of Texas, JOHNSTON of South Carolina, KEFAUVER, KERR, KILGORE, LANGER, LODGE, LONG, MCCARTHY, MCFARLAND, MCMAHON, MAGNUSON, MALONE, MARTIN, MAYBANK, MORSE, MYERS, NEELY, O'MAHONEY, PEPPER, RUSSELL, SALTONSTALL, SCHOEPPEL, SPARKMAN, STENNIS, TAFT, TAYLOR, THOMAS of Oklahoma, THOMAS of Utah, THYE, TOBEY, VANDENBERG, WITHERS, YOUNG; and the following Members who were not present were announced to be in support of the program: LUCAS, SMITH of Maine, WILEY, CHAVEZ, DOWNEY, EASTLAND, GILLETTE, GRAHAM, GREEN, McGRATH, HUNT, McCARRAN, McKELLAR, MILLER, MURRAY, WAGNER, AIKEN, SMITH of New Jersey.

The mayor of our own city of Los Angeles, Mayor Bowron, also a Republican, sent me a telegram requesting that I vote for the slum clearance, public housing feature of the housing program. I read that telegram to the Members of the House of Representatives on last Thursday, June 23.

To those of my friends in the Nineteenth Congressional District of California who have heard only the propaganda of the real-estate lobby, I would like to ask just two questions:

First. As the head of a family including children, and assuming that you were in the extreme low-income bracket, would you rather live in one of the public housing units of Maravilla, Ramona Village, and Aliso Village, or in the slums found on a certain section of Utah Street and in the Simons brickyard shacks?

Second. Which environment would give your wife and children the better opportunity for health, happiness, and development of those qualities which make them good citizens?

Personally I would prefer that Federal credit be extended to this low-income group on special low interest rate, long-term loans, so that they could build individual homes. However, I realize that

such a program cannot be passed by this Congress. Therefore, I am supporting the present bill, H. R. 4009, in the hope that it will provide a temporary solution for the low-income families' plight, by giving them a chance to live in decent environments. This will give them a breathing spell until their incomes increase to the point where they will be able to avail themselves of the FHA or GI loan programs, and purchase their own homes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. REES) there were—ayes 135, noes 136.

Mr. REES. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. REES and Mr. PATMAN.

The Committee again divided; and the tellers reported that there were—ayes 168, noes 165.

So the amendment was agreed to.

THIS TRAGIC PROCEDURE

Mr. KLEIN. Mr. Chairman, I am shocked, dismayed, and angered by the tragic procedure which has just transpired in the Committee of the Whole.

By this action the whole heart of the National Housing Act has been torn from the bill, and nothing has been left but the lifeless corpse of legislation to which this Congress is dedicated.

I am confident that when the Committee rises and we pass on the matter in the House the vital contents of title II, the low-rent public housing provisions of the bill, will be restored; but the country has been treated to a spectacle of irresponsibility and betrayal of democratic processes.

In the orderly consideration of important legislation, it is vital that the will of Congress be clearly demonstrated, so that even he who runs may read our intent. An essential part of that process is reading for amendment under the 5-minute rule, when each section, each line, each word is reviewed; opinions are put forward; ideas are clarified; and frequently weak spots are discovered and remedied.

COUNTRY IS ROBBED

By action in committee today the country has been robbed of a proper examination of the language of title II and of the explanations of congressional intent on which future administrators will depend for guidance. The public is deprived of the democratic processes of open debate to which it is entitled in the future. Courts may be hampered in arriving at exact justice by lack of full debate on these sections.

I want to repeat what I have said before: That many a political future is being decided here today.

The people of the United States want this legislation.

November 1950 is 16 months away; but many a congressional election will have been decided before this bill is passed.

AMENDMENTS TO TITLE II

Aside from my shock and disappointment at the action of the Committee,

I myself had three liberalizing amendments to offer to this title. In my belief, each of these amendments was worthy of serious consideration, and I was hopeful of their adoption.

Under the rules of the House, even if we are successful in restoring the title, no amendments can be offered.

Therefore, Mr. Chairman, I am taking this time to present the language of my proposed amendments and to discuss briefly their purpose and the reasons I believe they are needed.

DISABILITY EXEMPTION

The first amendment I wished to offer would have been in the form of a new subsection (e) to section 201, and would have read as follows:

Page 28, line 16, strike out the period and quotation marks and insert in lieu thereof a semicolon and the word "and," and after line 16 insert the following: "(e) where the public housing agency fixes the rent to be paid by a tenant family in relation to the income of such family, it shall exclude from such income for such purpose any amount received from the United States Government for disability in connection with military or naval service."

The purpose of the amendment was to instruct the local housing agencies not to include disability or death payments of veterans or veterans survivors in computing the monthly rental. This, I submit, is a small payment on the debt we can never pay to the men disabled or killed in the defense of our homes, our country, and our freedom.

I should like to call to the attention of the voracious real-estate lobby which dictated today's slaughter of low-rent housing that had it not been for the sacrifices made by millions of men in our armed services this lobby might not now be free to carry on its campaign of misrepresentation.

EXCLUSION OF DEPENDENTS AND SECONDARY WAGE EARNERS

The next amendment would have followed immediately after (e) as subsection (f), and is designed to carry out more fully the declaration of policy contained in line 21, page 24: "In recognition that there should be local determination"

I do not believe, Mr. Chairman, that we can sit here, remote from the actual administration of the projects to be developed under the authority of this legislation, and lay down hard and fast rules for eligibility and rentals.

We are forced, by the practical considerations of local administration, to give the greatest possible leeway to the local officials.

It is our duty to lay down the general principles and to define in broad terms the groups of people whom we wish this act to benefit.

This amendment would permit the local housing authority to allow certain exemptions for dependent members of the family, or of incomes earned by dependent members of the family.

I can refer to such dependents as secondary wage earners.

My amendment would authorize either a flat exemption from the rental computation of \$100 a year, or of all or any

part of the income of a secondary wage earner.

The flat exemption of \$100 a year for each dependent would give special relief in hardship cases and would give the wife or dependent spouse the same status in computation of rent as is provided in the income-tax laws. I can cite case after case in my own congressional district where an invalid wife, or an incapacitated relative, or some other dependent in a big family consumes the family income but can make no contribution, not even in services, to the maintenance of the family.

The alternative formula of exempting all or any part of the income earned by a dependent is the same proposal in another form, and is also intended to give the local authorities discretion to give special relief in case of special hardship.

The local administrators can act on a full knowledge of the facts. Knowing and doing their best to carry out the purposes of the legislation and the will of Congress, they can decide each case on its own merits, if such an amendment is adopted.

ELIGIBILITY STANDARDS FOR ADMITTANCE AND TENANCY

Mr. Chairman, the third amendment I wished to propose would have given greater discretion to local officials in fixing eligibility for admittance and continued tenancy in the section making special provisions for large families with small incomes. This was the text of the amendment:

Page 45, strike out line 15 and all that follows down through line 4 on page 46 and insert in lieu thereof the following: "Available solely for families whose net annual income, less any exemption allowed under the next sentence, does not exceed five times the annual rental (including the value or cost to them of water, electricity, gas, and other heating and cooking fuels, and other utilities) of the dwellings to be furnished such families. For the purpose of determining eligibility for admission to, or continued occupancy of, low-rent housing, a public-housing agency may allow, from the net income of any family, an exemption for each member of the family (other than the head of the family) of either (A) \$100, or (B) all or any part of the annual income of such member."

This amendment would have rewritten section 206 in such a way as to give greater discretion to the local housing agency to determine the eligibility of tenants to admittance and to continued tenancy in the low-rent projects built and operated under this act.

It makes the standards of eligibility the same in both cases, and permits the local agency to allow an exemption of either \$100 for each dependent member of a family or, as an alternative, all or any part of the annual earnings of any dependent member of the family.

This means that in big families with a number of nonproductive dependents, such as an invalid wife or an aged and incapacitated relative, or of small children, an amount of \$100 for each dependent would be deducted from the annual family income, just to determine eligibility for tenancy.

If, on the other hand, the wife or one or more of the dependents were able to

add to the family income, and if the agency thought this formula would be fairer to the family and to the public, all or any part of the income of the secondary wage earners could be deducted from the annual family income.

I want to point out, Mr. Chairman, that this language is permissive. The local agency would have the discretion to decide on the merits of each case.

In my opinion, this language would make it possible to carry out the purposes of the act and our own intentions more realistically than the present language of the bill. It would be fairer to the rent payers and to the taxpayers. We simply cannot foresee all contingencies in advance, and I think we ought to leave it up to the local agencies, within the broad definitions of the language of this amendment.

ACTIVITIES OF LOBBY

I cannot refrain from repeating my strong support of H. R. 4009 as reported by the Committee on Banking and Currency after months—I can almost say years—of careful consideration.

While I regard the amendments I wanted to propose as definite improvements within the democratic objectives of the bill, I would have voted for the bill without my amendments.

I think this is a proper place to remark that in the last few days I have received a great sheaf of telegrams and letters opposing the bill in the most fantastic, unreal, and bigoted terms, some of them so vehement as to be incoherent and meaningless.

Yet careful examination discloses not one single communication giving a residence address in my own district.

From my own constituents I have received substantial support for the bill; in opposition, a total blank.

Mr. McGRATH. Mr. Chairman, the Committee of the Whole has just adopted the amendment offered by the Republican gentleman with the aid of a few Democrats so that title 2, low-rent public housing, is stricken from the bill. This makes it impossible to consider the amendment that I now have at the desk. I am confident that later in the day the House of Representatives will reject the amendment that has just been adopted. However, according to parliamentary procedure, it is impossible for me to offer the following amendment:

Page 28, title II, section 201, section 15, subsection (8) (d) to be amended to read as follows:

"(d) the public housing agency shall make periodic reexaminations of the net incomes of tenant families living in the low-rent housing projects involved; and if it is found, upon such reexaminations that the net incomes of any such families have increased beyond the maximum income limits fixed by the public housing agency (and approved by the Authority) for continued occupancy in such housing, such families shall be required to move from the project if there are decent, safe, and sanitary dwellings available to them within their means and appropriate to their use.

"In determining net income for the purpose of considering eligibility for admission, continued occupancy and the fixation of rent, the public housing agency shall exclude:

"1. Not less than 40 percent of the income of any member of the family other than the head of the family.

"2. Income derived from veterans disability pensions, veterans subsistence payments and war widows pensions."

Add subsection (9) to read as follows:

"(9) The provisions of subsection (8) (a) shall apply to all tenant families residing in low-rent housing projects whether such projects were initiated prior or subsequent to March 1, 1949."

I had intended to make the following statement in support of the proposed amendment:

This committee has presented a splendid model type of legislation but like all good measures it lends itself to amendments to have it near perfection.

The proposed amendment delays the removal of tenants who have now passed the maximum income limits set for the project. It delays evictions until there are safe and sanitary apartments available. Secondly, it takes the income of the head of the family and excludes not more than 40 percent of the income of the other wage earners. Also excluded in the computation of the family income are all veteran pensions and war-widow pensions. Finally, it makes these regulations applicable to all projects whether initiated prior or subsequent to March 1, 1949.

Why are these amendments necessary? The very basis of the legislation is a recognition of the principle of the general welfare and security of the Nation and the health and well-being of its citizens. The declaration of policy is a reiteration that the family is the basic unit of our civilization and that further the well-being of that family unit is an important cog in our social order. At the present time in the city of New York there are well over 4,000 families who because of increased income or because of doubling up, the income exceeds the amount of allowable family income. If the bill is passed in its present form, these 4,000 families will be faced with putting out the other members of their family or in some instances having to seek quarters elsewhere; and seeking quarters is a difficult task, if well not impossible. Once a family is evicted, once part of it goes here and another part there, that family unit seldom is reunited.

What is gained at this time in saying to a family because the sons or daughters have grown older and have gone out to become useful members of society, "You must now break up your home." Are families who have taken in their married children because there was no place for them to go to be faced with the decision of ordering their children out or break up both family groups?

There is nothing to be gained by making these people vacate. You will note that there is no protection given to families who fraudulently and dishonestly withhold information at the time they are given possession; nor is any protection given here to a family unit whose income has greatly increased because in those cases they would have financial ability to pay high rent.

The amendment further protects veterans and war widows who are receiving pensions from having these sums included in calculating the amounts of maximum income. It may be argued in the bill that certain protections are given to veterans, but I respectfully submit that that is only in the selection of the tenant and does not protect the veteran after he secures the housing.

If it is the intention of the committee that the protection is to flow through to the veteran after he is in possession, then I can see no objection in the language of the proposed amendment. It simply makes it more definite and certain.

I offer these amendments in the spirit of the fullest cooperation with the committee and only in the hope that with these slight improvements we can pass today a good and sound housing bill.

However, events now make it impossible to offer the amendment. Four thousand people will be faced with eviction. I am satisfied that the bill itself will be adopted at the close of the day and that 810,000 units will then be available in a short time to the people of this country.

Mr. CASE of New Jersey. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of New Jersey. Mr. Chairman, this amendment having been adopted, it is now impossible to offer an amendment to that title, is that correct?

The CHAIRMAN. The gentleman is correct.

The Clerk will read.

The Clerk read as follows:

TITLE III—HOUSING RESEARCH

SEC. 301. Title III of Public Law 901, Eightieth Congress, approved August 10, 1948, is hereby amended to read as follows:

"Sec. 301. The Housing and Home Finance Administrator shall—

"(a) Undertake and conduct a program with respect to technical research and studies concerned with the development, demonstration, and promotion of the acceptance and application of new and improved techniques, materials, and methods which will permit progressive reductions in housing construction and maintenance costs, and stimulate the increased and sustained production of housing, and concerned with housing economics and other housing market data. Such program may be concerned with improved and standardized building codes and regulations and methods for the more uniform administration thereof, standardized dimensions and methods for the assembly of home-building materials and equipment, improved residential design and construction, new and improved types of housing components, building materials and equipment, and methods of production, distribution, assembly, and construction, and sound techniques for the testing thereof and for the determination of adequate performance standards, and may relate to appraisal, credit, and other housing market data, housing needs, demand and supply, finance and investment, land costs, use and improvement, site planning and utilities, zoning and other laws, codes, and regulations as they apply to housing, other factors affecting the cost of housing, and related technical and economic research. Contracts may be made to the Administrator for technical research and studies authorized by this subsection for work to continue not more than 4 years from the date of any such contract. Notwithstanding the provisions of section 5 of the act of June 20, 1874, as amended (31 U. S. C. 713), any unexpended balances of appropriations properly obligated by contracting with an organization as provided in this subsection may remain upon the books of the Treasury for not more than five fiscal years before being carried to the surplus fund and covered into the Treasury. All contracts made by the Administrator for technical research and studies authorized by this or any other act shall contain requirements making the results of such research or studies available to the public through dedication, assignment to the Government, or such other means as the Administrator shall determine. The Administrator shall disseminate, and without regard to the provisions of 39 United States Code 321b, the results of such research and studies in such form as may be most useful to industry and to the general public.

"(b) Prepare and submit to the President and to the Congress estimates of national urban and rural nonfarm housing needs and reports with respect to the progress being

made toward meeting such needs, and correlate and recommend proposals for such executive action or legislation as may be necessary or desirable for the furtherance of the national housing objective and policy established by this act, with respect to urban and rural nonfarm housing, together with such other reports or information as may be required of the Administrator by the President or the Congress.

"(c) Encourage localities to make studies of their own housing need and markets, along with surveys and plans for housing, urban land use and related community development, and provide, where requested and needed by the localities, technical advice and guidance in the making of such studies, surveys, and plans.

"Sec. 302. In carrying out research and studies under this title, the Administrator shall utilize, to the fullest extent feasible, the available facilities of other departments, independent establishments, and agencies of the Federal Government, and shall consult with, and make recommendations to, such departments, independent establishments, and agencies with respect to such action as may be necessary and desirable to overcome existing gaps and deficiencies in available housing data or in the facilities available for the collection of such data. The Administrator is further authorized, for the purposes of this title, to undertake research and studies cooperatively with industry and labor, and with agencies of State or local governments, and educational institutions and other nonprofit organizations. For the purpose of entering into contracts with any State or local public agency or instrumentality, or educational institution or other nonprofit agency or organization, in carrying out any research or studies authorized by this title, the Administrator may exercise any of the powers vested in him by section 502 (c) of the Housing Act of 1948.

"Sec. 303. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title."

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 53, line 12, strike out "321b" and insert in lieu thereof "321n."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 54, line 6, insert, after the period, the following: "To facilitate the cooperation of Federal agencies in carrying out such studies or surveys, such Federal agencies are hereby authorized to accept funds and reimburse their appropriation for the cost of such studies or surveys."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 55, line 9, insert the following language:

"SEC. 304. The Administrator shall appoint a Director to administer the provisions of this title under the direction and supervision of the Administrator, and the basic rate of compensation of such position shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency."

The committee amendment was agreed to.

Mr. HARDY. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HARDY: On page 53, at the end of line 14, insert the following: "Notwithstanding any other provisions of law except provisions enacted expressly in limitation hereof, the Administrator is authorized to consolidate, with the functions and activities performed under this subsection, any functions or activities now being performed or which, otherwise, would be performed by any constituent agency of the Housing and Home Finance Agency with respect to housing market data, and with respect to any other function or activity which the Administrator is authorized to perform by this subsection, if he determines that such consolidation is practicable and will promote more effective administration. The Administrator shall utilize the authority under this subsection with respect to housing market data to secure such information and data as may be required in connection with the functions of the constituent agencies within the Housing and Home Finance Agency and his supervision and coordination of the functions of said agencies, and in connection with determinations and approvals under section 15 (7) (b) (ii) and section 15 (8) (a) of the United States Housing Act of 1937, as amended: *Provided*, That this sentence shall not be construed as a limitation upon the authority conferred upon the Administrator by this subsection."

Mr. HARDY. Mr. Chairman, the title to which this amendment applies sets up a program of research in housing under the Administrator of the Housing and Home Finance Agency. One of the major purposes of such a research program is to discover the factors which are now preventing private enterprise from producing more housing. Out of this activity ways should be discovered to produce better housing at lower costs. Included in this title is authority for research relating to "housing market data, housing needs, demand, and supply."

The constituent agencies of the Housing and Home Finance Agency have to assemble similar data in order to carry out their specific functions. Heretofore, and under the bill as written, each agency, through its own personnel and independent of the others, gathers this data for its own use. Also, similar information is required by the Administrator in carrying out his functions with the disposal of war housing. Thus, under the bill as written we would most likely have four different groups of personnel collecting from the communities throughout the Nation essentially the same information.

Unless we adopt this amendment there will inevitably be serious overlapping of functions and duplication of personnel, for all of these constituent agencies must have this type of information in order to perform their duties prescribed by Congress. This amendment authorizes the Administrator to consolidate these functions and activities of the constituent agencies when he has determined that such consolidation is practicable and will promote more effective administration.

Under title III the Administrator would have the responsibility for collecting data similar to that required by the constituent agencies and common sense dictates that this function be consolidated in his office through the use of one group of proficient personnel. Thus, the same information would be readily

available for the execution of the respective programs of the constituent groups.

Among the major benefits which would be derived from this amendment are the following: First, discontinuance of the duplication of work by the three constituent agencies; second, obvious savings in personnel, since much of the data required by these agencies are basically the same; third, a central point of contact for the gathering of basic housing and market data by the Federal Government; fourth, the assurance of a greater degree of consistency in such data by reconciliation of varying interpretations, thus minimizing debates, arguments, and time-consuming conferences; fifth, there will be established a responsible center for the accumulation of housing data which will be valuable to Congress in making future decisions; sixth, the Administrator will be better able to carry out his responsibilities, especially those relating to the stimulation of private enterprise and to his accountability to the Congress; and, seventh, local community officials would be called upon to furnish information to only one group instead of four.

Besides lowering the over-all cost of this research function, my amendment will undoubtedly tend to greater efficiency and the making of quicker and sounder decisions. I am convinced that this amendment will be a real contribution to the ultimate development of a better housing agency and will afford the Congress more adequate controls in the administration of this program should H. R. 4009 be enacted.

The subcommittee on Government operations of the Committee on Expenditures is currently making studies concerning certain activities of the Housing and Home Finance Agency. The need to accomplish the purposes sought by this amendment were brought into focus by certain existing conditions which have come to the subcommittee's attention. I urge the adoption of the amendment before you for the reasons which I have already stated. It is the plan of my subcommittee to continue its studies of the operations of our housing program, and wherever corrections are needed, either in administrative procedures or in legislation, we shall seek their accomplishment through such appropriate action as may appear to be requisite.

Mr. Chairman, I hope the Committee will accept the amendment.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Chairman, I have considered the amendment of the distinguished gentleman from Virginia. I think it is a meritorious amendment and I hope it will be adopted.

Mr. HARDY. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. HARDY].

The amendment was agreed to.

Mr. TEAGUE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TEAGUE. Mr. Chairman, I have a new title at the desk and I would like to know if it is proper to offer that at this time.

The CHAIRMAN. The amendment is in order at this time.

Mr. TEAGUE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TEAGUE: Insert on page 55 at the end of title III a new title to read as follows:

"TITLE IV

"VETERANS' PREFERENCES

"SEC. 202. The United States Housing Act of 1937, as amended, is hereby amended as follows:

"(a) By adding the following new subsection to section 10:

"(g) Every contract made pursuant to this act for annual contributions for any low-rent housing project shall require that the public housing agency, as among low-income families which are eligible applicants for occupancy in dwellings of given sizes and at specified rents, shall extend the following preferences in the selection of tenants:

"First, to families which are to be displaced by any low-rent housing project or by any public slum-clearance or redevelopment project initiated after January 1, 1947, or which were so displaced within 3 years prior to making application to such public housing agency for admission to any low-rent housing; and as among such families, first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service-connected, and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected, and third preference shall be given to families of other veterans and servicemen;

"Second, to families of other veterans and servicemen such families first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service-connected, and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected."

"(b) By adding the following new subsection to section 2:

"(14) The term 'veteran' shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, April 6, 1917, and prior to November 11, 1918, and who shall have been discharged or released therefrom under conditions other than dishonorable. The term 'serviceman' shall mean a person in the active military or naval service of the United States who has served therein on or after September 16, 1940, and prior to July 26, 1947, April 6, 1917, and prior to November 11, 1918."

Mr. SPENCE. Mr. Chairman, I reserve a point of order against the amendment.

Mr. TEAGUE. Mr. Chairman, this new title replaces in the bill the veterans' preference, which is on pages 28 and 29, with some changes. The first change is that the date for veterans' preference is January 1, 1947. This date is arrived at because there are some housing projects which are being built today in Chicago and Detroit which should be covered by veterans' preference.

The second change is March 1, 1949. The limitation for veterans' preference is taken from the bill, which gives veterans a continuing preference.

Mr. Chairman, many of these projects will not be built within 5 years. Many of our veterans are still in colleges, many are still in the service. The average age of World War II veterans is 25 years. Certainly, they will not have had time to have found their spot in this country within 5 years. I hope that this new title will be adopted.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Chairman, I desire to withdraw my point of order. I see no objection to the gentleman's amendment.

Mr. TEAGUE. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. TEAGUE].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

TITLE IV—FARM HOUSING

FINANCIAL ASSISTANCE BY THE SECRETARY OF AGRICULTURE

SEC. 401. (a) The Secretary of Agriculture (hereinafter referred to as the Secretary) is authorized, subject to the terms and conditions of this title, to extend financial assistance, through the Farmers Home Administration, to owners of farms in the United States and in the Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to enable them to construct, improve, alter, repair, or replace dwellings and other farm buildings on their farms to provide them, their tenants, lessees, sharecroppers, and laborers with decent, safe, and sanitary living conditions and adequate farm buildings as specified in this title.

(b) For the purpose of this title, the term "farm" shall mean a parcel or parcels of land operated as a single unit which is used for the production of one or more agricultural commodities and which customarily produces or is capable of producing such commodities for sale and for home use of a gross annual value of not less than the equivalent of a gross annual value of \$400 in 1944, as determined by the Secretary. The Secretary shall promptly determine whether any parcel or parcels of land constitute a farm for the purposes of this title whenever requested to do so by any interested Federal, State, or local public agency, and his determination shall be conclusive.

(c) In order to be eligible for the assistance authorized by paragraph (a), the applicant must show (1) that he is the owner of a farm which is without a decent, safe, and sanitary dwelling for himself and his family and necessary resident farm labor, or for the family of the operating tenant, lessee, or sharecropper, or without other farm buildings adequate for the type of farming in which he engages or desires to engage; (2) that he is without sufficient resources to provide the necessary housing and buildings on his own account; and (3) that he is unable to secure the credit necessary for such housing and buildings from other sources upon terms and conditions which he could reasonably be expected to fulfill.

LOANS FOR HOUSING AND BUILDINGS ON ADEQUATE FARMS

SEC. 402. (a) If the Secretary determines that an applicant is eligible for assistance as provided in section 401 and that the applicant has the ability to repay in full the sum to be loaned, with interest, giving due con-

sideration to the income and earning capacity of the applicant and his family from the farm and other sources, and the maintenance of a reasonable standard of living for the owner and the occupants of said farm, a loan may be made by the Secretary to said applicant for a period of not to exceed 33 years from the making of the loan with interest at a rate not to exceed 4 per centum per annum on the unpaid balance of principal.

(b) The instruments under which the loan is made and the security given shall—

(1) provide for security upon the applicant's equity in the farm and such additional security or collateral, if any, as may be found necessary by the Secretary reasonably to assure repayment of the indebtedness;

(2) provide for the repayment of principal and interest in accordance with schedules and repayment plans prescribed by the Secretary;

(3) contain the agreement of the borrower that he will, at the request of the Secretary, proceed with diligence to refinance the balance of the indebtedness through cooperative or other responsible private credit sources whenever the Secretary determines, in the light of the borrower's circumstances, including his earning capacity and the income from the farm, that he is able to do so upon reasonable terms and conditions;

(4) be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the loan with interest, protect the security, and assure that the farm will be maintained in repair and that waste and exhaustion of the farm will be prevented.

LOANS FOR HOUSING AND BUILDINGS ON POTENTIALLY ADEQUATE FARMS

SEC. 403. If the Secretary determines (a) that, because of the inadequacy of the income of an eligible applicant from the farm to be improved and from other sources, said applicant may not reasonably be expected to make annual repayments of principal and interest in an amount sufficient to repay the loan in full within the period of time prescribed by the Secretary as authorized in this title; (b) that the income of the applicant may be sufficiently increased within a period of not to exceed 10 years by improvement or enlargement of the farm or an adjustment of the farm practices or methods; and (c) that the applicant has adopted and may reasonably be expected to put into effect a plan of farm improvement, enlargement, or adjusted practices which, in the opinion of the Secretary, will increase the applicant's income from said farm within a period of not to exceed 10 years to the extent that the applicant may be expected thereafter to make annual repayments of principal and interest sufficient to repay the balance of the indebtedness less payments in cash and credits for the contributions to be made by the Secretary as hereinafter provided, the Secretary may make a loan in an amount necessary to provide adequate farm dwellings and buildings on said farm under the terms and conditions prescribed in section 402. In addition, the Secretary may agree with the borrower to make annual contributions during the said 10-year period in the form of credits on the borrower's indebtedness in an amount not to exceed the annual installment of interest and 50 per centum of the principal payments accruing during any installment year up to and including the tenth installment year, subject to the conditions that the borrower's income is, in fact, insufficient to enable the borrower to make payments in accordance with the plan or schedule prescribed by the Secretary and that the borrower pursues his plan of farm reorganization and improvements or enlargement with due diligence.

This agreement with respect to credits of principal and interest upon the borrower's indebtedness shall not be assignable nor ac-

crue to the benefit of any third party without the written consent of the Secretary and the Secretary shall have the right, at his option, to cancel the agreement upon the sale of the farm or the execution or creation of any lien thereon subsequent to the lien given to the Secretary, or to refuse to release the lien given to the Secretary except upon payment in cash of the entire original principal plus accrued interest thereon less actual cash payments of principal and interest when the Secretary determines that the release of the lien would permit the benefits of this section to accrue to a person not eligible to receive such benefits.

OTHER SPECIAL LOANS AND GRANTS FOR MINOR IMPROVEMENTS TO FARM HOUSING AND BUILDINGS

SEC. 404. In the event the Secretary determines that an eligible applicant cannot qualify for a loan under the provisions of sections 402 and 403 and that repairs or improvements should be made to a farm dwelling occupied by him, or his tenants, lessees, sharecroppers, or laborers, in order to make such dwelling safe and sanitary and remove hazards to the health of the occupant, his family, or the community, and that repairs should be made to farm buildings in order to remove hazards and make such buildings safe, the Secretary may make a grant or a combined loan and grant, to the applicant to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making other similar repairs or improvements. No assistance shall be extended to any one individual under the provisions of this section in the form of a loan or grant or combination thereof in excess of \$1,000 for any one farm or dwelling or building owned by such individual, or in excess of \$2,000 in the aggregate to any one such individual, and the grant portion with respect to any one farm or dwelling or building shall not exceed \$500. Any portion of the sums advanced to the borrower treated as a loan shall be secured and be repayable in accordance with the principles and conditions set forth in this title. Sums made available by grant may be made subject to the conditions set out in this title for the protection of the Government with respect to contributions made on loans by the Secretary. In the case of such loan or grant with respect to a farm not occupied by the owner of the land, the Secretary may, as a condition precedent to the grant, require that the landowner enter into such stipulations and agreements with the Secretary and the occupants of the farm as will make it possible for the occupant to obtain the full benefits of the grant.

MORATORIUM ON PAYMENTS UNDER LOANS

SEC. 405. During any time that any such loan is outstanding, the Secretary is authorized under regulations to be prescribed by him to grant a moratorium upon the payment of interest and principal on such loan for so long a period as he deems necessary, upon a showing by the borrower that due to circumstances beyond his control, he is unable to continue making payments of such principal and interest when due without unduly impairing his standard of living. In cases of extreme hardship under the foregoing circumstances, the Secretary is further authorized to cancel interest due and payable on such loans during the moratorium. Should any foreclosure of such a mortgage securing such a loan upon which a moratorium has been granted occur, no deficiency judgment shall be taken against the mortgagor if he shall have faithfully tried to meet his obligation.

TECHNICAL SERVICES AND RESEARCH

SEC. 406. (a) In connection with financial assistance authorized in sections 401 to 404,

inclusive, the Secretary shall require that all new buildings and repairs financed under this title shall be substantially constructed and in accordance with such building plans and specifications as may be required by the Secretary. Buildings and repairs constructed with funds advanced pursuant to this title shall be supervised and inspected, as may be required by the Secretary, by competent employees of the Secretary. In addition to the financial assistance authorized in sections 401 to 404, inclusive, the Secretary is authorized to furnish, through such agencies as he may determine, to any person, including a person eligible for financial assistance under this title, without charge or at such charges as the Secretary may determine, technical services such as building plans, specifications, construction supervision and inspection, and advice and information regarding farm dwellings and other buildings. The Secretary is further authorized to conduct research and technical studies, including the development, demonstration, and promotion of construction of adequate farm dwellings and other buildings for the purposes of stimulating construction, improving the architectural design and utility of such dwellings and buildings, utilizing new and native materials, economies in materials and construction methods, new methods of production, distribution, assembly, and construction, with a view to reducing the cost of farm dwellings and buildings and adapting and developing fixtures and appurtenances for more efficient and economical farm use.

(b) The Secretary of Agriculture shall prepare and submit to the President and to the Congress estimates of national farm-housing needs and reports with respect to the progress being made toward meeting such needs, and correlate and recommend proposals for such executive action or legislation necessary or desirable for the furtherance of the national housing objective and policy established by this act with respect to farm housing, together with such other reports or information as may be required of the Secretary by the President or the Congress.

PREFERENCES FOR VETERANS AND FAMILIES OF DECEASED SERVICEMEN

SEC. 407. As between eligible applicants seeking assistance under this title, the Secretary shall give preference to veterans and the families of deceased servicemen. As used herein, a "veteran" shall be a person who served in the land or naval forces of the United States during any war between the United States and any other nation and who shall have been discharged or released therefrom on conditions other than dishonorable. "Deceased servicemen" shall mean men or women who served in the land or naval forces of the United States during any war between the United States and any other nation and who died in service before the termination of such war.

LOCAL COMMITTEES TO ASSIST SECRETARY

SEC. 408. (a) For the purpose of this subsection and subsection (b) of this section, the Secretary may use the services of any existing committee of farmers operating (pursuant to laws or regulations carried out by the Department of Agriculture) in any county or parish in which activities are carried on under this title. In any county or parish in which activities are carried on under this title and in which no existing satisfactory committee is available, the Secretary is authorized to appoint a committee composed of three persons residing in the county or parish. Each member of such existing or newly appointed committee shall be allowed compensation at the rate of \$5 per day while engaged in the performance of duties under this title and, in addition, shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses. One member of the

committee shall be designated by the Secretary as chairman. The Secretary shall prescribe rules governing the procedures of the committees, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistance as he deems may be required by any committee.

(b) The committees utilized or appointed pursuant to this section shall examine applications of persons desiring to obtain the benefits of this title and shall submit recommendations to the Secretary with respect to each applicant as to whether the applicant is eligible to receive the benefits of this title, whether by reason of his character, ability, and experience, he is likely successfully to carry out undertakings required of him under a loan or grant under this title, and whether the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the making of the loan or grant requested will carry out the purposes of this title. The committees shall also certify to the Secretary their opinions of the reasonable values of the farms. The committees shall, in addition, perform such other duties under this title as the Secretary may require.

GENERAL POWERS OF SECRETARY

SEC. 409. (a) The Secretary for the purposes of this title, shall have the power to determine and prescribe the standards of adequate farm housing and other buildings, by farms or localities, taking into consideration, among other factors, the type of housing which will provide decent, safe, and sanitary dwelling for the needs of the family using the housing, the type and character of the farming operations to be conducted, and the size and earning capacity of the land.

(b) The Secretary may require any recipient of a loan or grant to agree that the availability of improvements constructed or repaired with the proceeds of the loan or grant under this title shall not be a justification for directly or indirectly changing the terms or conditions of the lease or occupancy agreement with the occupants of such farms to the latter's disadvantage without the approval of the Secretary.

ADMINISTRATIVE PROVISIONS

SEC. 410. In carrying out the provisions of this title, the Secretary shall have the power to—

(a) make contracts for services and supplies without regard to the provisions of section 3709 of the Revised Statutes, as amended, when the aggregate amount involved is less than \$300;

(b) enter into subordination, subrogation, or other agreements satisfactory to the Secretary;

(c) compromise claims and obligations arising out of sections 402 to 405, inclusive, of this title and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into as circumstances may require, including the release from personal liability, without payment of further consideration, of—

(1) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume the outstanding indebtedness to the Secretary under this title; and

(2) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume that portion of the outstanding indebtedness to the Secretary under this title which is equal to the earning capacity value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the Secretary determines that the original borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and

otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

(d) collect all claims and obligations arising out of or under any mortgage, lease, contract, or agreement entered into pursuant to this title and, if in his judgment necessary and advisable, to pursue the same to final collection in any court having jurisdiction: *Provided*, That the prosecution and defense of all litigation under this title shall be conducted under the supervision of the Attorney General and the legal representation shall be by the United States attorneys for the districts, respectively, in which such litigation may arise and by such other attorney or attorneys as may, under law, be designated by the Attorney General;

(e) bid for and purchase at any foreclosure or other sale or otherwise to acquire the property pledged or mortgaged to secure a loan or other indebtedness owing under this title, to accept title to any property so purchased or acquired, to operate or lease such property for such period as may be necessary or advisable, to protect the interest of the United States therein and to sell or otherwise dispose of the property so purchased or acquired by such terms and for such considerations as the Secretary shall determine to be reasonable and to make loans as provided herein to provide adequate farm dwellings and buildings for the purchasers of such property;

(f) utilize with respect to the indebtedness arising from loans and payments made under this title, all the powers and authorities given to him under the act approved December 20, 1944, entitled "An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes" (58 Stat. 836), as such act now provides or may hereafter be amended;

(g) make such rules and regulations as he deems necessary to carry out the purposes of this title.

LOAN FUNDS

SEC. 411. The Secretary may issue notes and other obligations for purchase by the Secretary of the Treasury in such sums as the Congress may from time to time determine to make loans under this title not in excess of \$25,000,000 on and after July 1, 1949, an additional \$50,000,000 on and after July 1, 1950, an additional \$75,000,000 on and after July 1, 1951, and an additional \$100,000,000 on and after July 1, 1952. The notes and obligations issued by the Secretary shall be secured by the obligations of borrowers and the Secretary's commitments to make contributions under this title and shall be repaid from the payment of principal and interest on the obligations of the borrowers and from funds appropriated hereunder. The notes and other obligations issued by the Secretary shall be in such forms and denominations, shall have such maturities, and shall be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or obligations by the Secretary. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Secretary issued hereunder and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the

Treasury of such notes or obligations shall be treated as public debt transactions of the United States.

CONTRIBUTIONS

Sec. 412. In connection with loans made pursuant to section 403, the Secretary is authorized, on and after July 1, 1949, to make commitments for contributions aggregating not to exceed \$500,000 per annum and to make additional commitments, on and after July 1 of each of the years 1950, 1951, and 1952, respectively, which shall require additional contributions aggregating not more than \$1,000,000, \$1,500,000 and \$2,000,000 per annum, respectively.

Sec. 413. There is hereby authorized to be appropriated to the Secretary (a) such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 411 equal to (i) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 403, and (ii) the interest due on a similar sum represented by notes or other obligations issued by the Secretary; (b) an additional \$1,000,000 for grants pursuant to section 404 on and after July 1, 1949, which amount shall be increased by further amounts of \$2,500,000, \$4,000,000, and \$5,000,000 on July 1 of each of the years 1950, 1951, and 1952, respectively; and (c) such further sums as may be necessary to enable the Secretary to carry out the provisions of this title.

Mr. SPENCE (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that title IV be considered as read and printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. JONES of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Alabama:

Amend section 404 by inserting "(a)" after the section number line in line 19, page 60, by striking from line 23, page 60, the words "or his tenants, lessees, sharecroppers, or laborers," and by striking from line 12, page 61, the words "or in excess of \$2,000 in the aggregate to any one such individual"; and by adding the following new paragraph (b) after line 2, page 62:

"(b) The Secretary may make loans under this section and section 403 in accordance with provisions of the Bankhead-Jones Farm Tenant Act, as now or hereafter amended, to any applicant whose farm needs enlargement or development in order to provide income sufficient to support decent, safe, and sanitary housing and other farm buildings, and may use the funds made available for assistance under this section for such purposes."

And amend section 413, line 25, page 71, by striking therefrom the words "for grants."

Mr. JONES of Alabama. Mr. Chairman, the purpose of this amendment is to strengthen the provisions with particular reference to sections 403 and 404.

First, let me explain that under the provisions of section 403 there is provision for the building of homes and other buildings in connection with farm operations, but they do not make any provision for any land acquisition to a potentially inadequate farm, and so amends the Bankhead-Jones Act in order that it will make the purchase of the additional land that will support the loan made under the provisions of this

title. It means that the borrower will be placed in a position by additional land to raise his income sufficiently to retire the debt.

The amendment goes to section 404 and makes the provision that it will only apply to owner-occupants. The provision now contained in the bill says that it may apply to lessees, tenants, and sharecroppers. In view of the small amount of money that is made available for those types of farmers under this section whereby it will not make them steadfast and bound to the land, and we provide grants and loans to the maximum amount of \$1,000. The bill now provides that we can make loans and grants to any individual in an amount not to exceed \$2,000. In order to make this available to more farmers, we have reduced the maximum amount to \$1,000, and provided it shall be applicable only to owner-occupants. We feel that the provisions of this bill will be strengthened. I have had the advice and counsel in preparing this amendment of the distinguished chairman of the Committee on Agriculture. He is in agreement with these provisions, as well as the Committee on Banking and Currency, that drafted and reported out the bill.

Mr. DOYLE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from California.

Mr. DOYLE. On what basis does the gentleman offer this amendment? On the theory that we should buy more land in order that the farmer shall make more profit?

Mr. JONES of Alabama. To secure the investment the Government is making in that loan and to place him in a position to pay off the loan that is made under sections 403 and 404.

Mr. DOYLE. Is not that socialism?

Mr. JONES of Alabama. When you go into the proposition of socialism, it all depends on whose ox is being gored.

Mr. DOYLE. In other words, it is not socialism to buy land for a farmer, but it is socialism to offer a person a chance to live in a decent house for which he pays.

Mr. JONES of Alabama. I do not agree with the gentleman at all. I am not talking about socialism. I do not think there is any aspect of the rural housing provision that pertains to socialism. We tried to provide those low-income groups on the farms of America an opportunity to buy houses.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Kentucky.

Mr. SPENCE. I understand the gentleman is supporting the housing bill in its entirety, and now asks for some help for the agricultural people. I am heartily in accord with his amendment, because I believe it is a meritorious amendment and will carry out the purpose of this section. I hope the Committee adopts the amendment.

Mr. JONES of Alabama. I thank the gentleman very much. I hope the Committee will adopt the amendment.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I am delighted to yield to the gentleman from California.

Mr. HOLIFIELD. I just want to say I am sure that all of my friends from the city districts will be glad to go into the merits of the gentleman's amendment and support it, notwithstanding the fact that just recently many of the gentlemen from the South on the Democratic side, helped to scuttle the bill for the city interests. But we will stay with you, because it is right.

Mr. JONES of Alabama. I thank the gentleman.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would rather be free than housed.

Mr. COX. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are a people of short memories, and I fear that on the pending bill we are doing considerable shallow baiting. Some weeks ago we were told that the matter of greatest importance was the strengthening of our military position in order that we might resist Russia in her encirclement of the world and the enslavement of all mankind.

In order to make that resistance possible and certain we spent billions of dollars. It was money we had to spend. We will be called upon to spend many more billions in this same undertaking and we will spend it. The Atlantic Pact we are compelled to approve. Then, if it is going to be of any value, the countries involved must be armed. In order to fulfill those engagements we have to keep our economy sound. That, I fear, we are not doing, for here at a time when public revenues are falling and public spending is increasing we are imposing strains upon the national economy which it cannot bear. Continued deficit financing is dangerous. I hear gentlemen say, with regard to this bill, that they think it is unsound, but because their constituents want it, they are going to give it their support. I would remind them that nearly 1,950 years ago a similar procedure was followed with regard to the case brought against the Holiest Man of Galilee. He had inflamed the wrath of the multitude because He had proclaimed that in the spiritual realm He was King of the Jews.

The judge before whom He was arraigned could find no fault with Him and to exculpate himself of all guilt he publicly washed his hands. But the Holy Man was delivered up to the rabble and after they nailed Him to the cross, the world realized that they had executed the Son of God.

Now, you gentlemen who assume this attitude, take your 30 pieces of silver in the expectation of getting housing projects in your district, and in that manner satisfy your constituents.

But mark you, my friends, it is something that you will be returning to buy a bloody field in which to inter the remains of this proud and free Republic now being so badly mistreated if not betrayed.

Mr. Chairman, the membership of this House is made up, in large part, of young men, young men of great promise; young men who will become national figures if

their constituents keep them here and they hold true to their ideals. I would like to say to you, my young friends, that the day you permit your judgment to be overthrown by political expediency, that day you put the death seal upon all possibility of your ever becoming more than a dissembling politician.

I regret that you are being put to this test, but it is something that you cannot avoid. In the years that have gone by I have seen it come to others. Some survived, but many in the grip of ambition for political advancement I saw crumble like seared leaves. It is my prayer that on this bill you may square your vote with your sense of what is right.

Mr. Chairman, I sympathize with my colleagues who have housing projects in their districts. I know something of the pressure that is being put upon them. Pressure is being put upon me. Imagine what will happen if this bill becomes law and these projects multiply in your district and in the other congressional districts of this country. If that takes place, no freeman will again walk beneath the dome of this Capitol as a Member of the Congress of these United States.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. Cox] has expired.

Mr. FELLOWS. Mr. Chairman, I move to strike out the required number of words.

Mr. Chairman, I had not thought I would talk about this bill at all. First, I want to say I am against it. I voted to strike title II.

I do not know very much law, although I practiced in the country for a great many years, but I have interviewed many people in regard to the constitutional authority for this public housing bill. You may say that this is an indirect affair; that a State agency is going to do such and such a thing. But I have always understood that you cannot do indirectly what you cannot do directly. I do not know. You do not know. The Chairman of this Committee does not know what the constitutional authority for it is. But there is no use to discuss that now. There are a few things I would like to refer to.

In the first place, this bill is unfair and inequitable, if we assume that title II goes back into the bill.

In the second place, it has been said that all arguments against it have been blasted. That is not true. There is one that I will now mention. It came from the mouth of the distinguished chairman of this committee Mr. SPENCE when he opposed the Herter amendment, which was designed to take away the exemption, and to tax these bonds. The distinguished chairman of our committee said, "The power to tax is the power to destroy." Those were the words of Chief Justice Marshall. Of course, he was talking about that amendment. He forgot, however, that that applies with more force to the bill itself, which he sponsors.

I do not know who is an authority or what man I would go to to get the last word, but England's Mr. Bevin said that we are traveling on the road that Britain has taken. And Hon. James Byrnes,

the former Secretary of State of this country, and United States Senator, said the other day in Virginia that we are going to become economic slaves if this welfare Truman program is not halted. Of course, he may not be an authority. He was before he said it. Do you believe that, that if we follow down this road we are to become economic slaves? He said so. Bevin said so. Every thinking person in this land is fearful of it.

This country is founded on the principle of equality of opportunity. There are millions of people today not satisfied with that. They desire what I am going to call equality of progress; and I will illustrate it. When I was 10 years old my friends had some hens. I wanted some hens. My father bought me 10. They had to be housed; he built a house for them. They had to live; he bought food for them. Then father fed them. They laid eggs. Father took them into the house and paid me for them; then I went in and ate every one of them. That is what I call equality of progress. Put the Government in father's shoes, and you have got the welfare state.

I have been told a few things in my life, and one of them was this, Mr. Chairman, experience has taught its lesson; this is it: Give sparingly of power and put but little faith in anything except God and your own abilities. Every year on February 22 we set aside a day to read Washington's Farewell Address; then we lock it up and forget it until the next February 22 comes around. Washington warned us to resist with care the spirit of innovation upon the principles of the Constitution however specious the pretext, and pointed out the danger that assaults would be aimed at undermining what could not be directly overthrown.

And I say to you, until the human heart has been divorced from the love of power and the inclination to abuse it we must as carefully guard from government control our institutions and system as our forefathers guarded their individual rights when writing the Constitution. Intent to regulate and control will be denied by the feeble, but, given the power, the disposition will become apparent, and regulation and control will be practiced. It is one of those natural laws which lawmakers cannot repeal.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I realize, the same as you do, that we are facing a great issue, and I can appreciate the sincerity of those who oppose this bill; I can understand and appreciate the weight of their arguments, also. Mr. Chairman, I wish to call attention to just a few things that I believe are significant; I would like to have you think with me—and your thinking no doubt will be as good as and maybe a lot better than mine—along this line. Just think with me about a few salient features to which I shall direct your attention.

In the first place, the thing that makes a democracy great, the thing that makes a civilization great, is the home and the sanctity of the home. Our Federal Gov-

ernment has turned its attention toward helping in many directions; it has helped in regard to highways, in regard to schools, and in regard to social security; it has helped in many respects that we have not called communism nor socialism. Why should we call it such when the Federal Government helps people obtain a home, even if just a rented home? That is not socialism; that is not communism; that is making democracy work. It seems to me that we will really make democracy work in this great country of ours by such methods. You know and I know that extreme radicalism cannot take hold among our people when they are well fed and well housed. By far the best weapon we can use to defeat all kinds of radicalism is to make democracy work, and democracy cannot work very well when any appreciable percentage of our people have to live in squalor, filth, degradation, and shame; it just is not possible.

Some say, "Let private industry do it; let the local governments do it." Mr. Chairman, we have had slum conditions and squalor conditions existing in this great country of ours for a hundred years or more. And we have not made many, if any, inroads on them. I say to you that unless we pass this bill, or some kind of similar legislation, in my judgment, we will have slums for another 100 years. Slums will not be eradicated by private industry, as it has demonstrated the fact that it is just about able to keep up in building homes with the increase of our population. If we were a small nation, it might be different; but we are such a large nation, and our population increase is so great, that private industry is just about able to keep up with those in the middle-income brackets and in the higher-income brackets in the building of homes for those people. The people in the very humble situations in life will never have decent homes, in my judgment, unless we initiate some kind of a program like this. It just will not happen.

Mr. Chairman, I love this country as much as any human being who ever breathed. I do not claim to love it more than you good people do, but I love the old Red, White, and Blue as much I'm certain. I love the Constitution. I love the democratic way of life. I would give my life any minute if necessary to preserve it.

I have not been much of a globe trotter in my life. I was over in France fighting in the trenches in World War I. I have been around America a little bit, although I imagine I have not traveled as much as most of you have. I am not much of a traveler. I spend most of my time working. I usually work from 7 o'clock in the morning until 10 or 11 at night. That is my daily routine. I do not travel much but I have been around over the country a little bit. As much as I love this great country of mine, as much as I would be willing to do for this country of mine, I am ashamed of one thing about it. You can scarcely go into any hamlet, into any town and especially you cannot go into any city in this great country of ours, this beloved Nation of ours, without being ashamed of yourself when you cross the railroad tracks.

With all of the mines that we have in this country, with the far-flung forests we have in this country, with the cement, with the nails, with the building material things generally we have in this great country of ours, to permit such squalor conditions to exist I say is unfair to ourselves and unfair to the individuals who have to live under such conditions.

Mr. SPENCE. Mr. Chairman, I wonder if we cannot agree on time to conclude debate on the bill?

Mr. WHITTINGTON. Mr. Chairman, we have an amendment pending. I understand the gentleman is going to offer an amendment to clarify that. May we vote on that? Then I have one amendment I desire to offer and I would like to have 5 minutes on it.

Mr. SPENCE. I wonder if we cannot conclude debate on the bill at 4:30?

Mr. WHITTINGTON. May I ask the gentleman to withhold that for a minute? I have an amendment to offer.

Mr. SPENCE. The gentleman will have his time, if I move to close debate at 4:30.

Mr. WHITTINGTON. No; I would not do that.

Mr. SPENCE. I will make it 4:30. That will be plenty of time.

Mr. WHITTINGTON. All right.

The CHAIRMAN. Will the gentleman state his request?

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto conclude at 4:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Messrs. RICH and HAND objected.

Mr. HAYS of Arkansas. Mr. Chairman, I offer three clarifying amendments and ask unanimous consent that they be considered in connection with the Jones amendment, since they are related to it. I believe the Chairman of the committee, the gentleman from Kentucky [Mr. SPENCE] is ready to accept these amendments.

The CHAIRMAN. Are they amendments to the Jones amendment?

Mr. HAYS of Arkansas. No; they are related to it, though, and grow out of the same problem.

The CHAIRMAN. Does the gentleman ask unanimous consent that these amendments be considered ahead of the Jones amendment?

Mr. HAYS of Arkansas. No; I am asking that they be considered with the Jones amendment, Mr. Chairman, if the gentleman from Alabama will accept them.

The CHAIRMAN. Does the gentleman ask unanimous consent that they be made part of the Jones amendment?

Mr. HAYS of Arkansas. That is right, Mr. Chairman, I do.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. HAYS of Arkansas:

Pages 58 and 59, strike out the word "ten" and insert in lieu thereof the word "five" wherever it appears in section 403.

Page 59, line 6, after the word "practices", insert "or production."

Page 61, line 21, strike out the sentence beginning on line 21 extending through line 2 on page 62.

Mr. HAYS of Arkansas. Mr. Chairman, I have tried in these amendments to supplement and clarify the amendment offered by the gentleman from Alabama [Mr. JONES]. I am thoroughly in agreement with his amendment. I am grateful to the gentleman from Georgia [Mr. PACE], and the gentleman from North Carolina [Mr. COOLEY], and the gentleman from Wisconsin [Mr. MURRAY] for the consideration they have given to this question and for their help in preparing these amendments. Now, the Congress some time ago provided that if a farmer in the low-income group was not rehabilitated within 5 years, no further loans should be made. This brings the bill in line with that policy. In other words, these contributions or grants would not be continued for more than 5 years. The other is a clarifying amendment in that we add the words "or production" which makes it clear that the transition from cotton, for example, to more appropriate types of farming, shall be recognized and considered in relation to plans for improved housing; giving the farmer an adequate set-up in his farming operations.

I hope the amendments will be agreed to.

Mr. COLE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Kansas.

Mr. COLE of Kansas. Did I understand the gentleman to say that it was a \$500 contribution made to those farmers who do not live on adequate farms?

Mr. HAYS of Arkansas. That provision is not affected, but I would like to say to the gentleman, since he has been interested in this title, that we retain grants only for owner occupants. Now, there is a sound reason for that, as the gentleman will agree.

Mr. COLE of Kansas. Yes; I agree.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from North Carolina.

Mr. COOLEY. If I understand these amendments correctly, if they are adopted loans can then be made only to individuals owning the property which will be improved.

Mr. HAYS of Arkansas. That is correct.

Mr. JONES of Alabama. Mr. Chairman, if the gentleman will yield, the gentleman is correct in that it only applies to property owners.

Mr. COOLEY. I would like for that to be cleared up because of the fact that I have heard it suggested that under the provision as it is now the minimum could be borrowed by a tenant to build a house on property which was not owned by him. Now, that will not be possible.

Mr. JONES of Alabama. It never was possible, even under the provisions of section 404.

Mr. COOLEY. Certainly this clarifies the situation.

Mr. JONES of Alabama. The amendment I have offered certainly clarifies that because it will only be applicable to owner occupants.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Kentucky.

Mr. SPENCE. I have no authority to commit the committee to the amendment. I see no objection to the amendment. I think it is a very meritorious amendment. I hope they will both be considered and voted upon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. JONES] as modified by the amendments offered by the gentleman from Arkansas [Mr. HAYS].

The amendment was agreed to.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 55, strike out title IV, "Farm Housing," beginning in line 15 of page 55 and running down to and including line 5 on page 72.

Mr. SPENCE. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. WHITTINGTON. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close at 4:35.

Mr. WOLCOTT. At the present time I am constrained to object, Mr. Chairman, and I do object.

Mr. Chairman, let me suggest a happy compromise on this situation. We all want to get through with this bill tonight, and we want to have assurance that we do get through with it. In view of the fact that all the provisions of the bill have not been read, the gentleman of course cannot offer a motion to cut off debate on the entire bill. Therefore, I suggest that the gentleman ask unanimous consent that the remainder of the bill be considered as read, and that debate on the bill be limited to 55 minutes. I think that would be perfectly all right.

Mr. SPENCE. I will put it another way:

Mr. Chairman, I ask unanimous consent that the bill be considered as read and be open to amendment at any point, and that the debate be concluded at 5 o'clock.

Mr. WOLCOTT. I object to that.

Mr. SPENCE. Then, Mr. Chairman, I move that all debate on the bill and all amendments thereto conclude at 5 minutes past 5, the remainder of the bill to be considered as read and be open to amendment at any point.

Mr. HAND. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HAND. The motion is not in order. The gentleman from Kentucky does not have the floor.

Mr. RAYBURN. The gentleman from Mississippi [Mr. WHITTINGTON] yielded to the gentleman from Kentucky.

The CHAIRMAN. The gentleman from Mississippi yielded and the gentleman from Kentucky is not out of order.

Mr. KEEFE. Mr. Chairman, I make a point of order against the motion because the bill has not yet been read in its entirety.

The CHAIRMAN. The Chair must sustain the point of order because the remainder of the bill has not been read.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The remainder of the bill is as follows:

TITLE V—MISCELLANEOUS PROVISIONS

ADVISORY COMMITTEES

SEC. 51. The Housing and Home Finance Administrator may appoint such advisory committee or committees as he may deem necessary in carrying out his functions, powers, and duties, under this or any other act. Service as a member of any such committee shall not constitute any form of service or employment within the provisions of sections 281, 283, or 284 of title 18, United States Code.

AMENDMENTS OF NATIONAL BANKING ACT

SEC. 502. (a) The last sentence of paragraph 7 of section 5136 of the Revised Statutes, as amended, is amended by inserting before the colon, after the words "obligations of national mortgage associations", a comma and the following: "or such obligations of any local public agency (as defined in section 110 (h) of the Housing Act of 1949) as are secured by an agreement between the local public agency and the Housing and Home Finance Administrator in which the local public agency agrees to borrow from said Administrator, and said Administrator agrees to lend to said local public agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than 18 months), moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations at their maturity, or such obligations of a public housing agency (as defined in the United States Housing Act of 1937, as amended) as are secured either (1) by an agreement between the public-housing agency and the Public Housing Administration in which the public-housing agency agrees to borrow from the Public Housing Administration and the Public Housing Administration agrees to lend to the public housing agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than 18 months), moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations at their maturity, or (2) by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Public Housing Administration if such contract shall contain the covenant by the Public Housing Administration which is authorized by subsection (b) of section 22 of the United States Housing Act of 1937,

as amended, and if the maximum sum and the maximum period specified in such contract pursuant to said subsection 22 (b) shall not be less than the annual amount and the period for payment which are requisite to provide for the payment when due of all installments of principal and interest on such obligations."

(b) Section 5200 of the Revised Statutes, as amended, is amended by adding at the end thereof the following:

"(11) Obligations of a local public agency (as defined in section 110 (h) of the Housing Act of 1949) or of a public-housing agency (as defined in the United States Housing Act of 1937, as amended) which have a maturity of not more than 18 months shall not be subject under this section to any limitation, if such obligations are secured by an agreement between the obligor agency and the Housing and Home Finance Administrator or the Public Housing Administration in which the agency agrees to borrow from the Administrator or Administration, and the Administrator or Administration agrees to lend to the agency, prior to the maturity of such obligations, moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity, which moneys under the terms of said agreement are required to be used for that purpose."

NATIONAL HOUSING COUNCIL

SEC. 503. The Secretary of Labor or his designee, and the Federal Security Administrator or his designee, shall hereafter be included in the membership of the National Housing Council in the Housing and Home Finance Agency.

AMENDMENTS OF THE GOVERNMENT CORPORATIONS APPROPRIATION ACT, 1948, AND THE GOVERNMENT CORPORATIONS APPROPRIATION ACT, 1949

SEC. 504. (a) The second proviso in the paragraph under the heading "Federal Public Housing Authority" in title I of the Government Corporations Appropriation Act, 1948, is hereby repealed as of July 1, 1947.

(b) The second proviso in the paragraph under the heading "Public Housing Administration" in title I of the Government Corporations Appropriation Act, 1949, is hereby repealed as of July 1, 1948.

(c) The first proviso in the paragraph under the subheading "Public Housing Administration" in title II of the Government Corporations Appropriation Act, 1949, is hereby repealed.

DEPUTY HOUSING AND HOME FINANCE ADMINISTRATOR

SEC. 505. The Housing and Home Finance Administrator shall appoint a Deputy Housing and Home Finance Administrator, and the basic rate of compensation of such position shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency. The Deputy Administrator shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in that office, and shall perform such other duties as the Administrator shall direct.

CONVERSION OF STATE LOW-RENT OR VETERANS' HOUSING PROJECTS

SEC. 506. Any low-rent or veterans' housing project undertaken or constructed under a program of a State or any political subdivision thereof shall be approved as a low-rent housing project under the terms of the United States Housing Act of 1937, as amended, if (a) a contract for State financial assistance for such project was entered into on or after January 1, 1948, and prior to January 1, 1950, (b) the project is or can become eligible for assistance by the Public

Housing Administration in the form of loans and annual contributions under the provisions of the United States Housing Act of 1937, as amended, and (c) the State or the public housing agency operating the project in the State makes application to the Public Housing Administration for Federal assistance for the project under the terms of the United States Housing Act of 1937, as amended: *Provided*, That loans made by the Public Housing Administration for the purpose of so converting the project to a project with Federal assistance shall be deemed, for the purposes of the provisions of section 9 and other sections of the United States Housing Act of 1937, to be loans to assist the development of the project. Section 503 of the Housing Act of 1948 is hereby repealed.

CENSUS OF HOUSING

SEC. 507. (a) The Director of the Census is authorized and directed to take a census of housing in each State, the District of Columbia, Hawaii, Puerto Rico, the Virgin Islands, and Alaska, in the year 1950 and decennially thereafter in conjunction with, at the same time, and as a part of the population inquiry of the decennial census in order to provide information concerning the number, characteristics (including utilities and equipment), and geographical distribution of dwelling units in the United States. The Director of the Census is authorized to collect such supplementary statistics (either in advance of or after the taking of such census) as are necessary to the completion thereof.

(b) All of the provisions, including penalties, of the act providing for the fifteenth and subsequent decennial censuses, approved June 18, 1929, as amended (U. S. C., title 13, ch. 4), shall apply to the taking of the census provided for in subsection (a) of this section.

ACT CONTROLLING

SEC. 508. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

SEPARABILITY

SEC. 509. Except as may be otherwise expressly provided in this act, all powers and authorities conferred by this act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

Mr. SPENCE. Mr. Chairman, I now renew my motion.

The motion was agreed to.

Mr. WHITTINGTON. Mr. Chairman, I have made this motion to strike out title V, formerly title IV, with respect to farm housing because it has no place in this or any other bill. The provisions for farm housing are unnecessary, unsound, impractical and wholly unworkable. They are discriminatory to the last degree. They cover, as the report states, the cases of self-sustaining farmers, farmers not self-sustaining, and they cover those who can never hope to be self-sustaining. It is a sop to farmers and we might as well admit it. The title is put in this bill in order to gain

votes for the bill, and the sooner it is taken out, the better.

Mr. Chairman, I am in sympathy with all efforts to aid farmers to obtain and to own a farm. We have passed progressive legislation and we have in my judgment generally adequate farm-loan legislation. We have provisions for loans and any farmer who owns a farm who is entitled to credit can get credit from the Federal land bank. A tenant farmer who wants to become an owner under the Jones-Bankhead Act can obtain a loan, and purchase a farm. He can also obtain private loans if he is entitled to credit.

I have supported farm legislation. Our farm legislation is in danger. There are proposals that go entirely too far. This is among the first of them, and it should be stricken down.

While I supported farm legislation I have supported legislation for the home owner and for the city dwellers. I have supported it by billions of credit to enable city dwellers to obtain loans to repair their homes and to pay off the mortgages on their homes as well as to build homes. I have supported it by the billions in order to enable people living in the towns to get secured loans to borrow up to 70 percent and 80 percent and 90 percent, and whether the citizen lives in the country or in the town, I want the Federal Government to go the limit to enable a man to acquire his farm or to acquire his home, but I do not favor subsidized housing whereby my constituent across the street gets the Government to pay one-half of his rent, while the man on the other side of the street has to pay twice the rent for cheaper housing. It is discriminatory, and I therefore voted to strike title II for public housing from the bill. The title for farm housing is equally discriminatory, because it makes provision for grants; it makes provision for cancellation of loans. It provides for discretion as to grants and loans. Whatever you say about the provisions that have been made for farmers and about the provisions made for home owners, there is generally no discrimination. Every man, whether he raises a hundred bushels of wheat or a thousand bushels of wheat, gets the same price. Every tenant in this country, every landowner gets the same price for his product, under our price supports. As long as we have a high protective tariff, I am not to be frightened by the term "subsidy," because, after all, a subsidy for the farmer is nothing more than a tariff in reverse. I want to provide for our farms and our homes. Wherever there are loans I want them to be sound, and available alike to all.

According to the Comptroller General of the United States, Hon. Lindsay Warren, as I recall, there are some 30 odd Government agencies that are making loans to the city dwellers and farmers of our country. I have supported all sound legislation. But when housing discriminates against one citizen in favor of another, there will be complaints, and dissatisfaction.

We need to repair our houses in the cities. We have not been able to get materials or labor since the war, but we have made progress. The farmers of the United States today are prosperous.

The workers in the United States today enjoy the highest standard of living in all human history. In my judgment, having stricken out title II, we should strike title V for farm housing. But whether it is stricken or not, this section with respect to farm housing ought to have been considered by the Committee on Agriculture. You heard the distinguished chairman of this committee, the gentleman from Kentucky [Mr. SPENCE] accept not one amendment but two or three amendments, because he said, as I understood him, they were offered by friends of the bill and he accepted them, in his own language, and concluded in an effort to secure votes.

It is time to think clearly. It is time to reason. We ought not adopt every proposal under the guise that it is aid to the cities or aid to the countryside. We should support only sound housing and farm legislation.

I trust that my amendment to strike the title on farm housing will be adopted.

I extend to say that I favor Federal aid for slum clearance, and while I believe that the slum-clearance provisions of the pending bill can be clarified and should be amended to reduce the contribution by the Federal Government, nevertheless I would support a constructive bill for slum clearance. I also believe that slum clearance should be prevented by better health and police regulations by the cities, for good buildings, if neglected, will sooner or later become slums. The best way to promote slum clearance is to prevent slum clearance, and the solution of the problem is largely within the power of the municipalities. It is true that mayors advocate Federal legislation for slum clearance. Unfortunately, however, they do not at the same time suggest that taxes be levied for paying for appropriations for Federal slum clearance.

As I have stated, I oppose the so-called low-rent public housing. The title might better be "high-cost public housing at low rentals." I believe that housing can be better provided by private enterprise; that it can be more cheaply constructed by private enterprise, and therefore constructed for cheaper rents. Private housing will support schools and support other municipal activities. All will pay the same rental and there will be no discrimination. I cannot support legislation that will provide for paying one-half the rents of one-sixth of the rental population of the United States. I cannot support legislation that will enable one citizen to rent a Federal housing unit at \$40 a month with one-half to be paid by the Federal Government and the other one-half by the citizen, where across the street in the same neighborhood a cheaper unit is rented for the same \$40 a month to another citizen.

I repeat that I have supported legislation to enable home owners to redeem their homes and to improve them. I have supported legislation for insuring loans to individuals to build homes. I have supported the FHA legislation. I have supported billions and billions of Federal credit to enable a citizen to acquire or to keep his home. I want to encourage individual home ownership in

the city just as I want to encourage home ownership of farms in the country. I believe that slums will be prevented by loans to citizens that will enable them to construct, generally, individual units rather than by providing for large units with many families in each unit and thus promoting congestion of population.

Generally the farmers of the United States are in better financial condition than they have been since the War Between the States. I believe that pending provision for farm housing is unfair, unsound, and discriminatory. It is inserted to secure votes for farming areas. We are asked to reduce public expenditures and to eliminate unnecessary bureaus. The Farm Credit Administration, including the Federal Land Bank System and including the Farm Home Administration, is amply qualified to make loans to all deserving farmers. We provide for production loans. If any of the laws are inadequate they should be considered and they should be amended. There should not be a new bureau with a new administration at an additional expense to the taxpayer. Moreover, the pending title contemplates grants, contemplates promoting farms that are marginal, and would provide for discriminations by cancelling loans, by making a grant to one farmer and not making it to another. Patriotic Americans believe in equal treatment. I repeat that under existing laws, when the farmers are more prosperous than ever before, generally they can obtain all needed loans, and they are not begging for grants, for the administration of grants involves the discretion of a bureau in Washington that will further regiment farming.

While I have supported farm legislation, and while I have supported legislation to aid city dwellers, I believe that the pending bill goes too far in public housing and goes entirely too far in farm housing. I voted to eliminate public housing and I now move to strike out the farm housing. I believe that home ownership on the farm and in the city will be promoted by encouraging private enterprise to provide for low rentals and by encouraging farmers to own their own lands.

I want to strengthen and not weaken Federal legislation for farmers. I want all to be treated alike. There should be no discrimination. Farmers are not beggars. They do not want grants. They want a reasonable price for their products. They will improve their farms if they can secure a reasonable return for their crops.

I want to encourage the clearing of slums by clearing and by preventing them. I want to aid Americans to acquire and build their own homes in the city. Home ownership in the municipality and home ownership in the countryside will promote the American way of life. I oppose the pending bill for public housing and for farm housing because the proposals are unsound, unnecessary, and discriminatory, at a time when the people of the United States, in the country and in the city, are making more improvements in housing than ever before in history.

I conclude by saying that the pending provision for farm housing is a sop to secure farm votes and that I can best describe the title for farm housing by saying that it is molasses to catch flies.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. WHITTINGTON] has expired.

The question is on the amendment offered by the gentleman from Mississippi.

Mr. COOLEY. Mr. Chairman, I desire recognition in opposition to the amendment.

The CHAIRMAN. The Chair regrets to inform the gentleman that he was not standing at the time the motion was agreed to.

Mr. COOLEY. That was to limit debate, but I did not understand that the time would be restricted only to those who happened to be standing.

The CHAIRMAN. That is the usual procedure.

Mr. SPENCE. How much time was reserved to the committee?

The CHAIRMAN. The motion as offered by the gentleman did not reserve any time for the committee.

Mr. MARTIN of Massachusetts. Could I get my name on that list?

The CHAIRMAN. The name of the gentleman from Massachusetts is on the list.

Mr. COOLEY. Well, Mr. Chairman, do I understand that the chairman of the Committee on Banking and Currency cannot be recognized simply because he happened not to be standing?

The CHAIRMAN. The Chair will divide the time as best he can. The usual procedure is to divide the time among those who were standing at the time the agreement was made.

Mr. COOLEY. Certainly Members were not notified that the time would be restricted to those who were standing.

The CHAIRMAN. All Members heard the motion, and that is the usual procedure.

Mr. SPENCE. Mr. Chairman, I was standing at the time the motion was made.

The CHAIRMAN. The name of the gentleman from Kentucky will be added to the list.

Mr. COLE of Kansas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COLE of Kansas. Will the chairman read the names of those who were standing, so that we may know?

Mr. COOLEY. Mr. Chairman, will the Chairman read the names of those gentlemen who were standing at the time the limitation of debate was agreed upon, in order that we may be informed?

The CHAIRMAN. The Chair will be very glad to do so. The Chair has listed the names of the following gentlemen: MESSRS. HAYS of Ohio, CASE of New Jersey, MARCANTONIO, LANHAM, HALLECK, WOLCOTT, FORD, SIMPSON of Illinois, MULTER, NICHOLSON, SABATH, MILLER of Nebraska, HAND, TOWE, DONDERO, KEEFE, MANSFIELD, MARTIN of Massachusetts, SHAFER, GAVIN, and SPENCE.

Mr. JENSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JENSEN. I have an amendment at the desk; the Chairman did not read my name.

The CHAIRMAN. Was the gentleman standing?

Mr. JENSEN. I do not think I was.

The CHAIRMAN. The gentleman is out of order.

Mr. JENSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. JENSEN. The Chair did not say that those who wanted to speak should rise; and I make the point of order that that is unparliamentary. I trust the Chair will add my name as he did that of the chairman of the committee.

The CHAIRMAN. The Chair will attempt to give the gentleman an opportunity to speak on his amendment.

Mr. SASSCER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SASSCER. I was standing with the gentleman from Kentucky.

The CHAIRMAN. If the gentleman was standing his name will be added.

Mr. RABAUT. Mr. Chairman, the same is true in my case.

The CHAIRMAN. If the gentleman was standing, his name will be added.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent to assign my time to the gentleman from North Carolina [Mr. COOLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. COOLEY. Mr. Chairman, I merely wish to say in regard to this section that members of the Committee on Agriculture have conferred with members of the Committee on Banking and Currency and have agreed upon certain amendments, the amendments which were adopted a short while ago. By their adoption I believe the bill has been substantially improved.

With regard to the speech made by the gentleman from Mississippi, and I appreciate the fact that he feels that this legislation should have been considered by the Committee on Agriculture, and I concur in his views in that regard, the fact is, regardless of why this provision was inserted in this bill, we know that from this section will come the only relief and the only aid and assistance which is provided for the rural sections of America.

I think it is to be regretted that title II was dropped from the bill. I am for title II and on the roll call I will vote in favor of it; but I think it is to be regretted that we would seek on the floor here to strike out the only provision of the bill which could mean anything to a rural district. If you strike this provision out of the bill there will, of course, be very few, and certainly no persuasive, reasons why a man representing a rural district should support the measure. I want to support the bill, but I want to support it with this provision in it.

Let me remind you that all of the slums of America are not to be found in the cities, by any means. I have had a public housing authority in my district; I have a colored project and a white project in this city of Raleigh, and they have been operated properly and satisfactorily in every respect as far as my information goes, and they have relieved the slum conditions in that city at least in some degree.

I hope this amendment will be defeated and that this title will be retained in the bill. After all, unfortunately, we have slums all over America—in the cities and in the country and there is a desperate need for better housing and relief should be afforded where the need is the greatest. With the amendments which have now been accepted, this section of the bill will bring some relief to the rural areas of America and it is difficult for me to understand how the gentleman from Mississippi can oppose this particular part of the bill. Certainly, the need in his State is great—perhaps greater than in any other State in the Union but the need is great everywhere in America.

I do not believe that the money which will be spent in the proper prosecution of this program will disastrously or adversely affect private enterprise, banks, insurance companies, and building and loan associations nor will it affect adversely or disastrously the owners of privately owned properties. When the head of a family is able to earn enough money to become a home owner, he will have to vacate the building which will be constructed by the money therein provided. Certainly those who are now living in slums are not eligible for assistance at the hands of banks, insurance companies and building and loan associations and it is difficult for me to understand why there is so much opposition to this measure on the part of the businessmen who are operating these enterprises.

When we get into the House, I hope that the amendment to strike out section II will be defeated. In the meantime, I hope that the pending amendment will be defeated and finally that this bill will be enacted.

The CHAIRMAN. The question is on the amendment.

Mr. WHITTINGTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHITTINGTON. Mr. Chairman, as I understand, there is no other amendment pending and I imagine Members desire to express themselves on this one.

The CHAIRMAN. The Chair, in order to clarify the situation, would like to inquire of the Members whose names were read a moment ago, which of them intend to offer amendments.

Mr. MARCANTONIO. Mr. Chairman, I have an amendment.

Mr. CASE of New Jersey. Mr. Chairman, I shall offer an amendment.

Mr. DONDERO. Mr. Chairman, I ask unanimous consent that the time allotted to me be transferred to the gentleman from Iowa [Mr. JENSEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HAND. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HAND. Mr. Chairman, I have an amendment at the Clerk's desk which is in the nature of a substitute for that of the gentleman from Mississippi. It strikes out of section 402 one-third of the amount that the gentleman is seeking to strike. Is it in order to offer that amendment at this particular time?

The CHAIRMAN. The proposed amendment would be a perfecting one rather than a substitute. Does the gentleman offer it as a perfecting amendment?

Mr. HAND. I will be glad to do so.

The Clerk read as follows:

Amendment offered by Mr. HAND: On page 60, line 17, strike out all of section 404 down to line 3 on page 62.

Mr. HAND. Mr. Chairman, I necessarily will have to be very brief, but I do not think it will take very long to discuss this amendment. I have a good deal of sympathy for the amendment offered by the gentleman from Mississippi, but I would not be prepared to go quite as far as he does with his amendment.

If you will refer to the first two sections of the farm housing provisions, you will find one establishes loans for housing and buildings on adequate farms, and the other for loans for housing and buildings on potentially adequate farms. We have certainly gone too far when we add one more section, 404, which provides for loans for farms that are not adequate and probably never will be, and provide not only loans but add grants. Five hundred dollars can be a completely free gift under the "outhouse" amendment, if I may say so, for the improvement of toilets, the purchase of screens, and such odds and ends of minor repairs. That is going just a little bit too far, in my opinion, and makes the bill very unpalatable to those like myself who are prepared to support a public housing bill. That is not a public housing measure. That is a piece of political pap, and I think that it, at least, should be stricken from this bill. As a matter of fact, it is not designed to aid tenants but is designed to aid landlords and give them Government money to make repairs for tenants which ought to be made by the landlords themselves out of their own pockets.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Indiana.

Mr. HALLECK. I think the gentleman's amendment should be adopted.

Mr. HAND. I thank the gentleman.

Mr. COLE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Kansas.

Mr. COLE of Kansas. I agree with the gentleman, and I come from a so-called farm State. I thoroughly agree with the gentleman's amendment.

Mr. HAND. I thank the gentleman, and I think I can speak with very good

grace because my own district is semi-agricultural in nature.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Minnesota.

Mr. JUDD. Is it not true that we have Government agencies trying to get these people out of areas which cannot be made adequate and now we are setting up an agency to keep them on?

Mr. HAND. The gentleman is quite correct, and I thank him.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from New Jersey [Mr. HAND].

The question was taken; and on a division (demanded by Mr. HAND) there were—ayes 105, noes 121.

So the perfecting amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 126, noes 144.

Mr. WHITTINGTON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. WHITTINGTON and Mr. BUCHANAN.

The Committee again divided; and the tellers reported that there were—ayes 146, noes 162.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO].

(By unanimous consent, the time allotted to Mr. MARTIN of Massachusetts, Mr. KEEFE, Mr. NICHOLSON, and Mr. MULDER was granted to Mr. MARCANTONIO.)

Mr. MARCANTONIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARCANTONIO: On page 75, after the period on line 8, add a new section:

"Sec. 503. Prohibition against discrimination: No person possessing all other qualifications which are or may be prescribed by law shall be disqualified for admission, rental, or tenancy through discrimination by segregation or otherwise, in any housing developed under this act, by reason of the race, color, creed, or national origin of the person otherwise qualified; and any officer or other person charged with any duty in the admission, rental, or tenancy of projects provided for under this act who shall exclude or discriminate against any citizen for the cause aforesaid shall, on conviction thereof, be deemed guilty of a misdemeanor and be fined not more than \$5,000.

"Every contract or commitment entered into by the Government or any agency or instrumentality thereof as authorized herein with regard to any housing provided for in this act shall contain a provision prohibiting discrimination by reason of race, color, creed, or national origin, and shall carry a warning of the penalty of this act for violation thereof."

Mr. MARCANTONIO. Mr. Chairman, this amendment is offered at a time when the struggle of the Negro people for full equality has reached a crisis. To those who say that there is no discrimination or segregation in public housing or in any other housing financed by the Government, I refer them to the memo-

randum submitted to the President by Mr. Thurgood Marshall, of the NAACP, which is found on page 223 of the hearings. It tells the sordid and tragic story of the denial of housing to American citizens because of their color and because of their national origin.

Mr. Chairman, I have a pretty good idea of the arguments that have been circulated against my amendment. Yesterday we witnessed the spectacle of people who have been preaching civil rights voting against them and the artificial excuse that was offered is that this kind of amendment will sink the bill. Personally I do not believe that. The same argument was made in the Senate and on the final roll call 57 voted for the housing bill and 13 against. So that if this amendment had been adopted, there would have been ample votes to pass the housing legislation with an antidiscrimination provision. It is my considered judgment that if this amendment is adopted, for those that you will lose you will make up by virtue of the amendment. This amendment strengthens the bill. You cannot honestly argue against civil rights, an issue so fundamental, from an opportunistic standpoint, for here we do not only deny civil rights to the Negro people and other racial minorities, but we punish them more, we deny them housing. The experience with public housing and FHA housing bears that out.

In my own city of New York we have an FHA project, Levittown project, where Negroes are absolutely barred and nothing is being done about it by our Federal, State and city governments.

Further, to those who want to use the opportunistic argument, let me tell them that you have no right to use housing against civil rights. Housing and civil rights are an integral part of each other. Housing is advanced in the interest of the general welfare and in the interest of strengthening democracy. When you separate civil rights from housing you weaken that general welfare. You weaken the democracy that you pretend to strengthen. Remember, here you launch a 40-year program whereby you deny equal opportunity to housing to 14,000,000 American citizens and to other racial minorities. This attempt to separate civil rights from housing is dishonest political opportunism.

Another opportunistic argument that is advanced is, "Well, we will not do it now. We will do it later on." "We will do it on FHA or on some other bill." I have heard that argument too often. I heard it in connection with my amendment to the 70-group air force and in connection with the \$16,000,000,000 Military Establishment bill, and to every other effort I have made to have civil rights legislation passed by this House. It is the same argument every time an effort is made for civil rights. But you did not give that argument to the Negro people last election. You told them the Eighty-first Congress would enact civil rights. What has happened here? Whenever we have an opportunity to enact civil rights we are given some pretext or another, so that the Eighty-first Congress, as far as civil rights is con-

cerned, has become the Mañana Club—tomorrow but not today. You go back and tell the Negro people and other minorities who are seeking equality, "Not now but tomorrow."

Every Member must vote on this proposition according to the best dictates of his conscience and in keeping with the promises that he or she made to his or her constituents. Vote along those lines and you have no other alternative but to support this amendment.

I say that we must have both civil rights and housing; they are indivisible in the defense of democracy. Housing with discrimination negates the stated objective of this bill. Such a fight for both can be won if the leadership wants to make the fight, just as the fight was made in the final hours on the Wood bill. We were told that we could not win, but we did win, because we did fight, even though the fighting began when it was almost too late. Stand up now and we can get housing in accordance with the best traditions of American democracy. This depends on your will to fight for it. The responsibility rests on the majority. The responsibility rests on every single Member. Do we want housing with Jim Crow? I say "No." I say that the issue cannot be evaded. It exists in the very marrow of the bone of this bill. I say the American people want housing with the full guaranty of equality.

The CHAIRMAN. The time of the gentleman from New York [Mr. MARCAN-
TONIO] has expired.

Mr. BUCHANAN. Mr. Chairman, the issue raised by this amendment is very clear. The issue is whether we shall have an effective national-housing program offering decent shelter for underprivileged low-income families of every race, creed, or color, or whether we shall sacrifice the opportunity for such a program for an empty prohibition against racial segregation in low-rent public housing.

The facts of this issue also are very clear. The facts are that the present low-rent public housing program, small as it is, represents the only effective step which has been taken in the history of this Nation to provide decent livable homes for underprivileged low-income Negro families. Today, approximately 65,000 Negro families are living in the low-rent public housing projects assisted under the United States Housing Act of 1937. This represents approximately 35 percent of the accommodations provided in those projects. In the South, some 49 percent of the public-housing units are occupied by low-income Negro families. The record shows conclusively that low-income Negro families have shared equitably in the benefits of the present low-rent housing program, on the basis of need and in proportion to the relatively lower incomes and worse housing conditions which are the lot of too many Negroes in this country.

Mr. Chairman, the new low-rent public housing which would be assisted under the pending bill would enlarge the supply of decent shelter for underprivileged low-income families by more than four times. That housing would be made available on the basis of need, just as

under the existing program. Hundreds of cities and towns throughout the country are ready and anxious to participate in this program in order to relieve their slum-ridden families of intolerable living conditions. Some 357 communities filed preliminary applications for 375,000 units of low-rent housing more than 3 years ago, even though there was no available authorization for additional public housing at that time.

Among these were 116 communities in the South and a high percentage of their proposed projects were for occupancy by low-income Negro families. But let me ask the members of this committee one question: Would these southern communities continue to seek for these projects if this amendment is adopted and if a requirement for racial nonsegregation were imposed on every project assisted under this program?

The keystone of the public housing program under H. R. 4009 is local autonomy. No projects may be undertaken in any community except upon the initiative of its local city council or other governing body. Do the members of the committee believe that southern communities would participate if racial nonsegregation were made the requirement for every project? Do they believe that the representatives of those southern communities in this body, most of whom now support this legislation, would continue to do so if this amendment were adopted?

I want to make my own position very clear. I am personally opposed to racial segregation in housing. I know that many of my colleagues from the North and West share my views on that matter. I believe that we must progress steadily toward racial equality not only in housing but in all other aspects of our national life, and not only in the North and West but also in the South. But I am also confident that my colleagues share my belief that we won't aid our progress by depriving low-income Negro families in every section of the country of their best hope for decent homes.

Mr. Chairman, we should look closely at some of the angles in this amendment. Without impugning anyone's motives or sincerity, I must point out that this amendment is the favorite secret weapon of the real estate lobby to kill this bill. That issue was well aired in the other body when a similar amendment was voted down after extensive debate, and I remind the members of this committee that we voted down a comparable proposition yesterday by a teller vote of 168 to 130.

What is at stake here is whether we shall have an effective public housing program, which will be of broad benefit to underprivileged families, white and Negro alike, or whether we shall have some empty verbiage but no houses. I challenge the Members on the other side of the aisle who will support this amendment to make clear whether they do so in support of an effective housing program, or in an effort to kill the housing bill and at the same time gain a supposed political advantage by giving lip-service to nonsegregation.

Personally I am for a housing program that will benefit underprivileged families of every race, creed or color, in every section of the country. I trust the Committee will reject this amendment.

Mr. POWELL. Mr. Chairman, I rise in support of this amendment. I wish to warn this body that the Negro people will no longer stand for empty civil rights platforms.

The present FHA is a disgrace. It is manned by a leadership approved by our civil rights President which refuses in its own words to take a stand on civil rights in housing.

Take the Levittown development in New York. Built by Federal funds, it is for Caucasians only. The FHA told members of the Banking and Currency Committee that they had stopped this practice. Mr. Charles Abrams, of New York City, whom I respect, told a freshman Manhattan Congressman that FHA had changed. This is a lie. FHA has not changed. They are supporting Jim Crow in New York.

I refer you to the following clippings and statement:

[From the Pittsburgh (Pa.) Courier of June 11, 1949]

WHITE LEVITTOWN CLAUSE REMOVED

Removal of a Caucasians only clause from the rental leases of Levittown, a Nassau County housing project, was reported last week by the committee to end discrimination in Levittown.

Confirmation of the successful fight to secure elimination of the ban was later attributed to William Levitt, a representative of the firm which built the Long Island project, who is quoted as having asserted that there remained no reason to continue the anti-Negro stipulation.

It was reported, however, that the committee will carry forward its plans to forward a delegation to Washington for the purpose of urging the Federal Housing Administration to take a stand on the issue of granting aid to realtors who insert racially discriminatory clauses in rental contracts.

[From the New York Age of June 25, 1949]

NO CHANGE IN LEVITTOWN POLICY SEEN AS INCIDENTS FLARE UP

HEMPSTEAD, LONG ISLAND.—It was revealed in word and deed here last week that the Levittown housing project is lily-white and that it plans to remain that way—removal of a clause in the leases and deeds to homes in the project notwithstanding.

Several Negro veterans who believed that owner William Levitt of the project was sincere when he removed the restrictive clause from the leases found out differently when they tried to arrange housing. Mrs. Myrtle Archer, who tried to purchase a home for her son, a veteran of more than 2 years in the south Pacific with the Navy, was asked to leave the real estate offices because "We do not sell to Negroes."

Three veterans, Leroy Seely, Wilmar Manley, and Arthur Lucine, were denied interviews and informed that members of their race are not welcome to Levittown.

Herbert Hill of the NAACP and Lee Feltman of the American-Jewish Congress were forcibly barred from the builder's office when they attempted to protest the discrimination.

On the other hand, white veterans applying for homes were served refreshments at Levitt's expense and the first couple waiting in line were treated to tickets to "South Pacific."

[From the New York Amsterdam News of June 11, 1949]

NO ROOM FOR NEGROES IN LEVITTOWN PROJECT

WASHINGTON, D. C.—A committee of 10 delegates, protesting Jim Crow at Levittown on Long Island, heard Franklin Richards, Federal Housing Authority Commissioner, say that FHA aid would continue to be given Levittown.

After hearing the stories of Levitt's refusal to sell homes to Negro veterans, Richards said the FHA has no authority to tell Levitt how he can run his business. Although Richards sympathized with the committee to end discrimination in Levittown, and he said nothing could be done.

Four Negroes were turned down flatly last Monday when they sought to purchase homes in Levittown, a low-cost real-estate development on Long Island.

William J. Levitt, developer of the project, contends that his company reserves the right to refuse to sell their property to Negroes. This statement was given out Monday at his office, following a spirited demonstration against his lily-white policy. Levitt refused to see or to talk directly to reporters. Veterans are given preference to buy homes in the development.

Levitt's attorney, Ira Goldman, who assisted in booting out the four Negroes who tried to buy homes was in to reporters "depending on what you want to talk to me about."

The four Negroes who appeared early Monday morning to join the line which formed on the village green in response to an intensive sales campaign over the radio were told they could not purchase homes in Levittown. One woman, Mrs. Myrtle Archer, mother of a vet, was asked by Goldman, "Are you a Negro?" When she said she was, Goldman said, "Then I am afraid you'll have to leave. We do not sell to Negroes."

Mrs. Archer's son, Donald, served in the Navy. She was accompanied by Arthur Frankel, also a veteran, who lives in Levittown and is a member of the Committee to End Discrimination in Levittown.

The other three, Leroy Seely, Wilmer Manley, and Arthur Lucine, were not even permitted to enter the sales office. Goldman called Nassau County police to keep order when Frankel halted the sales to make a speech to the lined up vets about bringing democracy to Levittown.

Inquiries in Levittown revealed that in a case similar to that of the Metropolitan Life Insurance Co.'s Stuyvesant Town, a sample poll taken of the residents showed that 61 percent of them favored having Negroes buy houses. Also like Stuyvesant Town, the project is subsidized by public funds, the Federal Housing Authority guaranteeing the loans.

It was also discovered that Levitt & Sons, the builders of more than 8,000 low-cost homes, have another smaller project, near Manhasset where the policy is for gentiles only.

Although no action has been taken against the group in Levittown, which has been protesting against discrimination, instances were reported where some of the tenants who pay rent instead of buying their houses, were denied leases and subjected to the strictest regulations in an effort to force them to leave.

A committee, made up of representatives of B'nai B'rith, the NAACP, the American Veterans Committee, and the American Labor Party, went to Washington Tuesday to protest the discrimination to the FHA.

[From the Chicago Defender of June 18, 1949]

END OF BAN ON NEW HOUSING PROVES FALSE—

DELEGATION ACTS

NEW YORK.—Believing that William J. Levitt really meant what he said when he publicly announced removal of the "Cau-

casians only" clause from his Long Island building development, Mrs. Myrtle Archer walked into the sales office last week only to be called aside by Levitt's lawyer.

"I have to ask you one question," he said.

"Are you a Negro?"

"Yes, I am," was the reply.

"I'm afraid you'll have to leave. We will not sell to Negroes."

"Is it just because of my color?"

"Let's not go into that. It will be painful for both of us. We can shelter whoever we want. We will not shelter Negroes."

NOT ALLOWED TO ENTER

Three Negro veterans waiting in line outside the office were not allowed to enter.

When Herbert Hill of the NAACP and Lee Feltman of the American Jewish Congress attempted to protest discrimination shown they were forcibly barred from the office.

On the following day a score of people representing organizations in Levittown community went to Washington and demanded Commissioner Richards of Federal Housing Committee to issue a definite ruling on restrictive covenants. They asked him to withdraw FHA support from Levitt's project until he ended discrimination against Negro veterans.

Mrs. Feldon, white resident of Levittown and member of Committee Against Racial Discrimination, headed the delegation to Washington. She told a Defender reporter that the group received a favorable reply but not a decisive commitment on the definite ruling issue.

Mrs. Feldon added that although the "FHA has no feeling one way or the other about racial discrimination," the delegation left Commissioner Richards' office with high hopes.

The Defender reporter attempted to talk with Mr. Levitt over the phone but was told by his secretary that he was not receiving any calls.

STATEMENT

Franklin Richards, FHA Commissioner, told Lem Graves, Washington correspondent of the Pittsburgh Courier, last February that the FHA had no authority to prevent racial discrimination in leasing or selling homes in the Levittown development after the developers built their houses. FHA did deny an application from Levitt Brothers for loan insurance which included a racially restrictive covenant. However, when the covenant was stricken from the loan application, FHA approved the guaranty and the developers then proceeded to reject applications of Negroes.

Mr. TOWE. Mr. Chairman, I rise in support of the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. TOWE. Mr. Chairman, one of the stated purposes of this bill is the realization, as soon as possible, of the goal to a decent home and suitable living environment for every American family. I include in the definition that I would apply to the words "American family" those of Negro origin.

This entire legislation is a social measure. It can hardly be called anything else. I say to you it is extremely unfair and inequitable to say to the 14,000,000 Negroes of this country, or as many of them as pay taxes, "You shall contribute to the cost of public housing but you will not be guaranteed equal or partial participation in the program. Those who profess to be disturbed about segregation

of Negroes and discrimination against them especially in social-advancement programs should support the pending amendment.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. TOWE] has expired.

The question is on the amendment offered by the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, on that I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. PATMAN and Mr. MARCANTONIO to act as tellers.

The Committee divided; and the tellers reported that there were—ayes 122, noes 173.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. CASE].

Mr. CASE of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of New Jersey:

On page 84, after line 4, insert the following new section:

"510. The United States Housing Act of 1937, as amended, is hereby amended by adding the following additional subsection to section 15:

"(7) The authority shall not make any contract for loans (other than preliminary loans) or for annual contributions with respect to any low-rent housing project initiated after March 1, 1949, unless the mayor or other chief executive officer of the locality involved has certified that all State and local codes and regulations relating to land use and to standards of health, sanitation, and safety for dwelling accommodations are being effectively enforced to the maximum practicable extent throughout the community."

Renumber sections 510 and 511 as 511 and 512, respectively.

Mr. CASE of New Jersey. Mr. Chairman, the purpose of my amendment is very simple. We are all concerned that the whole problem be solved. One very important and necessary aspect of the problem of poor housing is to get the best possible enforcement of existing health and other regulations by the localities concerned. My amendment would require the mayor or chief executive officer of any locality, before a housing project is initiated there, to certify that, to the maximum extent practicable, local codes and regulations relating to health and other matters are being effectively enforced.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. CASE].

The question was taken; and on a division (demanded by Mr. CASE of New Jersey) there were—ayes 43, noes 112.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. McMILLAN].

Mr. McMILLAN of South Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McMILLAN of South Carolina: On page 84, at the end of line 4, insert the following new sentence: "The Administrator shall not enter into any contract of financial assistance under title I of this act with respect to any project of the

District of Columbia Redevelopment Land Agency for which a budget estimate of appropriation was transmitted pursuant to law and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body."

Mr. McMILLAN of South Carolina. Mr. Chairman, the purpose of this amendment is to assure that no funds available under the slum-clearance provision of this act shall be used for projects under the Redevelopment Act of 1945 for the District of Columbia. We at that time passed a bill here requesting \$20,000,000 for slum clearance in the District. We have not received an appropriation to carry out the provisions of this act up to the present time.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN of South Carolina. I yield to the gentleman from Kentucky.

Mr. SPENCE. There is no objection to the amendment offered by the distinguished gentleman, and I think the committee will accept it. It is a meritorious amendment.

Mr. McMILLAN of South Carolina. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. McMILLAN].

The amendment was agreed to.

Mr. DAVENPORT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DAVENPORT. Mr. Chairman, I should like to call to the attention of the House today the work of one of our colleagues, the esteemed Congressman from the Thirty-second District of Pennsylvania, HERMAN P. EBERHARTER. In breaking a legislative bottleneck heretofore beyond the general control of the House of Representatives his efforts have made possible the discussion today of housing legislation. For it was Congressman EBERHARTER who spearheaded a drive to change the rules of the House Rules Committee which often prevented the House as a whole from considering legislation in question.

I should like to quote from an editorial in the Pittsburgh Post-Gazette of June 18, 1949, regarding the effect of my esteemed colleague's work in changing the rules:

HOUSING BOTTLENECK BROKEN

A decision by the House Rules Committee to bring the administration's housing bill to the floor is the first important demonstration of how last winter's amendment to the House rules breaks a legislative bottleneck.

Until the rules were changed, the House Rules Committee could, and frequently did, prevent the House as a whole from considering legislation which had popular support. Housing legislation, for instance, had been bottled up by the Rules Committee in two successive Congresses.

The rules change permits the chairman of any committee to request a vote to call any bill onto the floor after it has been within the committee's jurisdiction for a prescribed period. Knowing that was to be done, the Rules Committee reluctantly reported the housing bill out, so that it can

set the limits on debate and, in general, try to control the situation on the floor.

Thus the committee's decision does not mean that the bill has won greater support within the committee. On the contrary, some of those who voted to report it out are as violently opposed as ever to public housing and will fight it on the floor.

We are glad that the entire House will, at long last, have an opportunity to express itself on public housing. We believe that its answer, like that of the Senate, will be favorable.

HOUSING

Mr. Chairman, it is gratifying to me that the Eighty-first Congress is at last buckling down to the tasks assigned to it by the voters of this country last fall.

H. R. 4009, or the Housing Act of 1949, while not a perfect bill, will do much to end the poor living conditions under which millions of Americans exist at present. In total, its many complicated provisions on slum clearance, title I; low-rent public housing, title II; housing research, title III; and farm housing, title IV will act as a lever to lower our national rates of broken homes, juvenile delinquency, and crime. H. R. 4009 will also act as a lever to happier family life.

According to recent figures of the Census Bureau, 22 percent of all families, or 7,000,000 families, have incomes of less than \$2,000 a year. The money these families can spare for rent is so low that the only places they can move into are the overcrowded slums of our cities and rural areas.

The average monthly rent these people can pay is one-fifth of their monthly earnings or about \$27. On this basis, is it any wonder that the slums in which they are forced to live are allowed to deteriorate still further by landlords whose profits are based upon nonpayment of taxes and no repair work?

There is no way to handle the problem of these 7,000,000 American families except to replace the slums with decent housing and to subsidize the rentals of their new homes. The slums as a breeding place for crime and unhappiness must be torn down and the land put to better use by our cities and towns.

To replace slums and subsidize rentals is not a new departure for American Government. In fact, we have as a government always been concerned with our lower-income groups. This is one of the costs of our economic system. Those who are more fortunate have a duty to help the less fortunate. Since colonial times, this has been a guiding principle of America. Slum clearance and public housing is just a further continuation of this doctrine. There is nothing new or radical in it.

I believe it wise that the Federal Government steps in at this time to take the lead in restoring family life to more pleasant surroundings. Statistics are available to prove that our States and our cities are unable to stand the financial strain incumbent in slum clearance. If the Federal Government will not take the initiative, the job will never be done. There is no other alternative.

As for opposition of private constructors, I should like to point out that several building and real-estate associations have at last conceded that no competition exists between private construction

and public housing. The Real Estate Board of New York, for example, has come out in favor of public housing. That board is on record as stating that private construction cannot meet the housing needs of our lowest income groups. Who today can build an adequate dwelling for a family unable to pay more than \$27 a month?

According to H. R. 4009, a gap of 20 percent must be left between the upper rental limits for admission to the proposed low-rent housing and the lowest rents at which private enterprise unaided by public subsidy is providing decent, safe, and sanitary housing. This means that if old-style private housing is available at \$30, then the top rent the recipient family in a public-housing project could afford to pay would be 20 percent less, or \$24. Figuring rent as one-fifth of monthly income, in this example, the recipient could not earn over \$120 a month or \$1,446 a year.

Under this 20-percent-gap formula, there will be room for local variations in rental charges and earnings of public-housing tenants. This is much better than a fixed dollar ceiling on the incomes of families eligible for admission to low-cost public housing. My major concern is that this gap may be too wide and thus deprive worthy families of the opportunity to take advantage of this housing program. But this can be changed later, if necessary.

The important job before us is to pass H. R. 4009 and continue our fight to end poverty and squalor in the midst of plenty.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENSEN: After line 24, page 84, add a new section:

"General provisions: Sec. 512. No part of any appropriation, loan, fund, or expenditure authorized by or provided pursuant to this act shall be used directly or indirectly to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or

fund contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law."

Mr. PATMAN. Mr. Chairman, I make the point of order against the amendment that it is not germane to this bill.

The CHAIRMAN. The Chair will hear the gentleman from Iowa on the point of order.

Mr. JENSEN. Mr. Chairman, a similar provision has been placed in every appropriation bill which this House has passed during this session of Congress. It is purely and simply a safeguarding provision that no person shall be employed and receive compensation from the funds herein appropriated who believes in the overthrow of our Government by force or violence. It is regular procedure, and certainly is germane to this bill. It is a limitation which is in effect in both appropriation and authorization bills.

Mr. PATMAN. Mr. Chairman, this is not an appropriation bill. In an appropriation bill it probably would be in order.

Mr. JENSEN. This bill has the effect of an appropriation bill.

The CHAIRMAN. The Chair is prepared to rule.

The legislation before the committee authorizes loans and other funds to be used, consequently the Chair overrules the point of order.

Mr. JENSEN. Mr. Chairman, I do not think it is necessary to speak any further on this amendment because of the fact that every Member of this House has voted in favor of these appropriation bills which has this amendment in it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. JENSEN) there were—ayes 124, noes 141.

Mr. JENSEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. JENSEN and Mr. PATMAN.

The Committee again divided; and the tellers reported that there were—ayes 166, noes 163.

So the amendment was agreed to.

The CHAIRMAN. All debate is concluded. The Chair will recognize Members to extend their remarks and will recognize Members who desire to offer amendments, without debate.

Mr. SASSCER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SASSCER: On page 78, line 12, after the word "sites", insert "within the District of Columbia."

Mr. SPENCE. Mr. Chairman, the committee has no objection to that amendment.

Mr. CASE of South Dakota. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. The point of order is that the committee amendment which the Sasscer amend-

ment attempts to amend has never been offered or considered.

The CHAIRMAN. The point of order is well taken. The gentleman from Maryland will have to withhold his amendment until the committee amendment has been reached.

Are there any further amendments? If not, the Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 72, line 8, strike out "51" and insert "501."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 73, line 19, strike out "moneys" and insert "monies."

Page 73, line 20, strike out "moneys" and insert "monies."

Page 73, line 23, strike out "moneys" and insert "monies."

Page 75, lines 2, 3, and 6, strike out the word "moneys" and insert the word "monies."

The committee amendments were agreed to.

The Clerk read as follows:

Page 77, line 3, strike out "the State or."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment:

The Clerk read as follows:

Page 78, line 9, insert the following language:

"NATIONAL CAPITAL HOUSING AUTHORITY

"SEC. 508. Notwithstanding any other provisions of law, the National Capital Housing Authority is hereby authorized to acquire sites for low-rent public housing projects assisted under the provisions of the United States Housing Act of 1937, as amended.

"DISTRICT OF COLUMBIA PARTICIPATION

"SEC. 509. To make available to the District of Columbia, and to authorize the appropriate agencies operating therein to accept, the benefits provided by titles I and II of this act, the District of Columbia Redevelopment Act of 1945 is hereby amended by renumbering sections 20, 21, and 22 thereof as sections 21, 22, and 23, respectively, and by adding after section 19 a new section to read as follows:

"SEC. 20. (a) As an alternative method of financing its authorized operations and functions under the provisions of this act (in addition to that provided in section 16 of this act), the agency is hereby authorized and empowered to accept financial assistance from the Housing and Home Finance Administrator (hereafter in this section referred to as the Administrator), in the form of advances of funds, loans, and capital grants pursuant to title I of the Housing Act of 1949, to assist the Agency in acquiring real property for redevelopment of project areas and carrying out any functions authorized under this act for which advances of funds, loans, or capital grants may be made to a local public agency under title I of the Housing Act of 1949, and the Agency, subject to the approval of the District Commissioners and subject to such terms, covenants, and conditions as may be prescribed by the Administrator pursuant to title I of the Housing Act of 1949, may enter into such contracts and agreements as may be necessary, convenient, or desirable for such purposes.

"(b) Subject to the approval of the District Commissioners, the Agency is authorized to accept from the Administrator advances of funds for surveys and plans in

preparation of a project or projects authorized by this act which may be assisted under title I of the Housing Act of 1949, and the Agency is authorized to transfer to the Planning Commission so much of the funds so advanced as the District Commissioners shall determine to be necessary for the Planning Commission to carry out its functions under this act with respect to the project or projects to be assisted under title I of the Housing Act of 1949.

"(c) The District Commissioners are authorized to include in their annual estimates of appropriations items for administrative expenses which, in addition to loan or other funds available therefor, are necessary for the Agency in carrying out its functions under this section.

"(d) Notwithstanding the limitation contained in the last sentence of section 110 (d) or in any other provision of title I of the Housing Act of 1949, the Administrator is authorized to allow and credit to the Agency such local grants-in-aid as are approvable pursuant to said section 110 (d) with respect to any project or projects undertaken by the Agency under a contract or contracts entered into under this section and assisted under title I of the Housing Act of 1949. In the event such local grants-in-aid as are so allowed by the Administrator are not sufficient to meet the requirements for local grants-in-aid pursuant to title I of the Housing Act of 1949, the District Commissioners are hereby authorized to enter into agreements with the Agency, upon which agreements the Administrator may rely, to make cash payments of such deficiencies from funds of the District of Columbia. The District Commissioners shall include items for such cash payments in their annual estimates of appropriations, and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such cash payments. Any amounts due the Administrator pursuant to any such agreements shall be paid promptly from funds appropriated for such purpose.

"(e) All receipts of the agency in connection with any project or projects financed in accordance with this section with assistance under title I of the Housing Act of 1949, whether in the form of advances of funds, loans, or capital grants made by the Administrator to the Agency, or in the form of proceeds, rentals, or revenues derived by the Agency from any such project or projects, shall be deposited in the Treasury of the United States to the credit of a special fund or funds, and all moneys in such special fund or funds are hereby made available for carrying out the purposes of this act with respect to such project or projects, including the payment of any advances of funds or loans, together with interest thereon, made by the Administrator or by private sources to the agency. Expenditures from such fund shall be audited, disbursed, and accounted for as are other funds of the District of Columbia.

"(f) With respect to any project or projects undertaken by the Agency which are financed in accordance with this section with assistance under title I of the Housing Act of 1949—

"(1) sections 3 (f), 3 (k), and 7 (g), and the last sentence of section 6 (b) (2) of this act shall not be applicable to those pieces of real property which, in accordance with the approved project area redevelopment plan, are to be devoted to public housing to be undertaken under Public Law 307, Seventy-third Congress, approved June 12, 1934, as amended;

"(2) the site and use plan for the redevelopment of the area, included in the redevelopment plan of the project area pursuant to section 6 (b) (2) of this act, shall include the approximate extent and location of any land within the area which is proposed

to be used for public housing to be undertaken under Public Law 307, Seventy-third Congress, approved June 12, 1934, as amended;

"(3) notwithstanding any other provisions of this act, the Agency, pursuant to section 7 (a) of this act, shall have power to transfer to and shall at a practicable time or times transfer by deeds to the National Capital Housing Authority those pieces of real property which, in accordance with the approved project area redevelopment plan, are to be devoted to public housing to be undertaken under Public Law 307, Seventy-third Congress, approved June 12, 1934, as amended, and, in accordance with the requirements of section 107 of the Housing Act of 1949, the National Capital Housing Authority shall pay for the same out of any of its funds available for such acquisition.

"(g) It is the purpose and intent of this section to authorize the District Commissioners and the appropriate agencies operating within the District of Columbia to do any and all things necessary to secure financial aid under title I of the Housing Act of 1949. The District of Columbia Redevelopment Land Agency is hereby declared to be a local public agency for all of the purposes of title I of the Housing Act of 1949. As such a local public agency for all of the purposes of title I of the Housing Act of 1949, the Agency is also authorized to borrow money from the Administrator or from private sources as contemplated by title I of the Housing Act of 1949, to issue its obligations evidencing such loans, and to pledge as security for the payment of such loans, and the interest thereon, the property, income, revenues, and other assets acquired in connection with the project or projects financed in accordance with this section with assistance under title I of the Housing Act of 1949, but such obligations or such pledge shall not constitute a debt or obligation of either the United States or of the District of Columbia.

"(h) Nothing contained in this section or in any other section of this act shall relieve the administrator of his responsibilities and duties under section 105 (c) or any other section of the Housing Act of 1949."

Mr. CASE of South Dakota (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the balance of the committee amendment be considered as read and printed in the Record at this point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, I desire to reserve a point of order in order to make a brief statement. This committee amendment which deals with District of Columbia participation might be subject to a point of order on at least two grounds—one, that it amends the District of Columbia Redevelopment Act of 1945, which would be within the jurisdiction of the Committee on the District of Columbia.

It might also be subject to a point of order on the ground that on page 81, subparagraph (e), it creates a revolving fund, which many times has been held to be an appropriation, and consequently not in order on a legislative bill.

However, if we are to have slum clearance at Federal expense anywhere in the country, we should have it in the Nation's Capital. Congress is the only body which can legislate for the District of Columbia. I am in favor of slum clearance here even if I do not favor the method of financing or the bypassing of

the Congress and the Appropriations Committee. I do not wish to exclude the District from any possible benefits it may get if the program is set up for the balance of the country. A point of order in this instance cannot be directed only at the one paragraph but would kill the whole amendment, which I do not desire to do, if the bill as a whole is to pass.

So, after talking with the chairman of the committee, the gentleman from Kentucky [Mr. SPENCE], I am not disposed to make the point of order at this time because he tells me this particular section is not in the bill that has been adopted by the other body, and it will naturally have to go to conference where further consideration can be given to the matter. But in not making the point of order, I think the House should be aware of the situation that prompted the McMillan amendment, and which I think does not meet that situation.

During the consideration of the appropriation bill for the independent offices of the Government, when the National Capital Park and Planning Commission item was under consideration, attention was drawn to a certain development in the area known as the Marshall Heights development, where it was proposed under the existing National Capital Housing Authority to destroy a neat community and build a new housing project. Definitely Marshall Heights is not a slum area. So private citizens in the area objected and the Appropriations Committee refused to make certain necessary appropriations. The McMillan amendment which has been heretofore adopted provides that any proposition which has heretofore been proposed to the Appropriations Committee of either the House or the Senate and refused may not get money under this act. But hereafter these projects will not come to the Appropriations Committee. They will go to the Administrator.

I call this particularly to the attention of the members of the committee who may be on the conference and, in keeping with my talk with the chairman, ask them to explore the application of the McMillan amendment and see if it really covers the situation as it was intended. I fear that it will only cover projects which have been heretofore submitted to the Committee on Appropriations and that hereafter projects in the District of Columbia would not be submitted to the Appropriations Committees but to the Administrator of this act, and that money could be obtained to start objectionable projects without the matter ever coming before the Congress for review.

So, by stating the problem and bringing it to the attention of the conferees, and with the assurance which the gentleman from Kentucky has given me on that angle, that this will be explored in conference, I refrain from making the point of order at this time.

Mr. SASSCER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SASSCER: Page 78, line 12, after the word "sites", insert "within the District of Columbia."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 84, line 6: Strike out "508" and insert "510."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 84, line 10, strike out "509" and insert "511."

The committee amendment was agreed to.

Mr. MCGREGOR. Mr. Chairman, I move to strike out the last word and ask unanimous consent to extend my remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MCGREGOR. Mr. Chairman, I have listened for a number of days to the debate both pro and con on H. R. 4009 known as the Federal housing bill. I am going to vote against it for a number of reasons, some of which are:

First. This bill will commit the Government to the spending of approximately \$20,000,000,000 of taxpayers' money and, in addition, takes from the tax duplicate of local communities the area on which these projects are located and it will benefit less than 4 percent of the families of the country. This bill means that the people of the State of Ohio would have to pay increased taxes to the amount of approximately \$1,044,000,000 which would amount to approximately \$546 for every family in the Seventeenth District.

Second. All of us know that the cost of the construction of these houses, which will be under Federal control will be exorbitant. The bill specifically states that the cost can reach \$2,500 a room which means that a five-room house would cost \$12,500 not including land and other facilities. Certainly this cannot be considered, as some of the proponents claim, low-cost housing.

Third. I think individual and private capital can build the houses that are necessary. In 1948, private industry and individuals built nearly 1,000,000 housing units. The rental on the houses to be constructed by the Government would be \$46.88 per month and these houses definitely would be under the control of the Federal Government which certainly means a further step down the road to socialism.

Fourth. It is the right of all of us to be given the opportunity to build our own homes, yet, if the Federal Government goes into the business of constructing houses, those who want to repair their existing homes or build new ones will find that the materials are not available

and we will continue to have a shortage of building materials.

Fifth. We have a deficit of \$252,000,000,000 and our taxes represent 33 percent of our income. Everyone readily admits that socialism prevails when taxes have passed the 35-percent mark of people's income and certainly we do not want to come any nearer a complete collapse into socialism.

I call attention to the statement expressed by James F. Byrnes, former administration spokesman in the Senate, ex-Justice of the Supreme Court, and Secretary of State by appointment of President Truman, when he recently said:

Where we shall wind up, no one can tell. But if some of the new programs seriously proposed should be adopted there is danger that the individual, whether farmer, worker, manufacturer, lawyer, or doctor, soon will be an economic slave pulling an oar in the galley of the State.

Mr. Chairman, it is time to call a halt on these expenditures and the policy of taking control from our local people. The defeat of this bill can be the first step toward our return to good sound government.

Mr. KEATING. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Chairman, we are now approaching a vote on this extensively debated measure.

Many sincere people have advanced various arguments against any slum clearance and public-housing bill, with which I should like to deal briefly.

One is the cost to the Federal Government of this program. This is, of course, an important factor, one which we must carefully weigh, and which deserves our most thoughtful study.

One in a position of responsibility is bound to look carefully and critically at any proposal involving a substantial expenditure of Government funds.

Extreme figures have been furnished by the ardent proponents and opponents of housing legislation. Having in mind the proposed reduction in housing units to 810,000, and recognizing, of course, that the best estimate is only an informed guess, I accept for the purpose of my analysis, a figure of \$10,000,000,000 as the total cost of the program spread over a period of 40 years. This amounts to an average of \$250,000,000 a year. This is a sizable figure. Yet it is only a little over one-half of 1 percent of the total Federal budget. It is substantially less than the annual pay increase we have recently voted to the members of the Armed Services. It is but one-thirtieth of the amount we have appropriated this year for large-scale spending for public works. It is one-twentieth of our present rate of expenditure for aid to foreign nations. We have provided 60 times this amount for our military budget. It is only 8 percent of the amount which it is estimated can be saved by our Government through the speedy adoption of the Hoover Commission recommendations to eliminate

waste and inefficiency. It represents less than \$2 apiece for our people to pay. Substantial as the amount is, if the program will result in the achievement of a reasonable proportion of the benefits which its proponents claim for it in providing better homes for our lowest-income groups and in eliminating our vast slum areas, the breeders of crime, delinquency, disease, and social maladjustment, it is well worth its cost. It is a sound investment in the welfare of our people.

There is an offset to this cost also, which is sometimes forgotten. Slum areas, which this legislation would help to clear, yield much less than their proper share of local taxes and absorb municipal services for fire, police protection, and the like way beyond their proper proportion. Those slums, wherever they exist, are today subsidized. Apart, therefore, from the social gains resulting from their elimination, there is a definite financial objective in spending public moneys, if necessary, to get rid of them.

Another immediate financial advantage is that in the period which lies before us, it is now apparent that we face increasing unemployment. A housing construction program would provide jobs in the area of greatest usefulness to the public—certainly much to be preferred over the building of public works of questionable need, which is now being so widely advocated by many who conceive such work to be the answer to the unemployment problem.

Now a word about the so freely bandied charge that any housing legislation is a departure from basic American principles and the beginning of a march down the road to socialism.

In my opinion, just the opposite is true. One of the arguments most frequently heard against our traditional free enterprise competitive system, voiced by those who would uproot it, is that its failure is evidenced by the existence of extensive slum areas and its failure to provide decent shelter for substantial groups of our citizenry. Unless we face this challenge realistically and meet it boldly, we face the danger of being plunged into complete Government control of housing and the building industry. One of the most effective blows we can strike against the advocates of a socialized state is the passage of sound housing legislation to assist in meeting at least the minimum needs of our people.

The roster of those favoring a program of slum clearance and public housing, whether individuals or organizations, does not read like the roll call of a Socialist convention. It is far-fetched and unrealistic to dub the senior Senator from Ohio, Mr. Tamm—the father of similar legislation in the other body—a Socialist. The American Municipal Association, National Association of Municipal Law Officers, United States Conference of Mayors, American Legion, the Veterans of Foreign Wars, the AMVETS, the American Veterans' Committee, the Catholic War Veterans, Jewish War Veterans, the National Association of Parents and Teachers, the League of Women Voters, the American Federation of Labor, Congress of Industrial Organiza-

tions, International Association of Machinists, and nearly every other labor organization, many Chambers of Commerce, the National Board of the YWCA, many Protestant bodies, the National Conference of Catholic Charities, the National Council of Jewish Women, and many other organizations with an estimated membership in excess of 60,000,000 Americans of every class, creed, and race and of both political parties, have endorsed housing legislation. The characterization of all these organizations supporting a housing program as exponents of socialism requires no answer. Arrayed on the other side are bodies representing not over 100,000 people who, no doubt sincerely, but I feel sure incorrectly, argue that their interests will be injured.

It has never been regarded as socialist in this country to aid those who by reason of misfortune or low income are forced to live in squalor or unhealthy environment. On the contrary, it has always been felt our highly integrated society cannot neglect such problems without risk to its own health and stability.

It must be remembered that the construction of the housing units contemplated in this legislation would be financed through bonds sold by private banking houses to private investors. They would be designed by private architects and built by private contractors of materials produced by private industry. After completion they would be owned and operated by local municipal bodies.

At one time or another our Government, for the general welfare, has subsidized railroads, shipping, and the air lines to permit their survival or expansion. It has entered into huge programs for highway and public-building construction. For years it has steadily subsidized the postal service. It has poured out billions of dollars to help the farmers. As revealed by the Hoover Commission, it has subsidized the press through low postal rates. It has stepped in to protect American business against foreign competition. It has assisted war veterans with educational grants and pensions. It operates the post offices throughout the land. It has provided a system of social security. It has regulated the way securities may be marketed. It has curbed the excesses of big business for the protection of small business and consumers. It has built huge public power projects. It has provided large sums for medical research. On the Federal level, it has touched the lives of our citizens in these and countless other ways. At the State level, it has provided public education for the Nation's children. It has aided religious worship through tax exemption. At all levels, its field of activity has been enlarged.

If the bogeyman of socialism is a threat, he is already with us. It is a question of controlling and directing him, lest he overwhelm us. The factor most likely at this moment to assure a definite change of our political complexion for the worse is failure to assure that the average man has a livable home in which to rear his children. Against the long record of subsidy I have described, I am unconvinced of the dan-

gerous implications of a bill that attempts, through private enterprise and public subsidy, to achieve the wholesome and democratic aim that the American family shall have a decent home.

Finally, it is contended that any public-housing program will adversely affect the market for private housing. All the evidence in the hearings indicates quite the contrary. Public housing creates a demand for better private housing.

Furthermore, at the height of its activity it is contemplated that not more than 10 percent of the units constructed shall be public-housing units. Even at the end of the entire program, if it should run its course completely, it is estimated that not more than 3 percent of the total in the country would be public-housing units.

Public housing will not deter investment in rental housing. Slum dwellers and those eligible for public housing are not now and never have been in the market for apartments or houses to rent at \$75 a month and up. Such building construction and real-estate activity as can be engaged in with profit will continue to be, as it should, the proper field of private enterprise and initiative.

Both political parties in their platforms last fall endorsed a properly balanced program of slum clearance and low-cost housing. The very proper qualification was contained in the Republican platform that a Federal program should be presented "only where there is a need that cannot be met either by private enterprise or by the States and localities." Clearly that need has not been met. At no time did I express disagreement with this principle embodied in our platform. Therefore, without criticism of those whose interpretation of their responsibility may differ from mine, I feel a compelling obligation to support the measure before us.

Mr. FORD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Chairman, we have heard comments by the gentleman from California showing how that State turned down public housing last November. Others believe the results in the Presidential election were a mandate for public housing. Few Members of the House are fortunate in having the specific issue of public housing decided by a free and secret ballot in their respective districts. This issue was specifically decided in the city of Grand Rapids in an election held in October 1947 and the results are as follows: For a public-housing authority, 7,989; against, 12,583. In other words, 61.16 percent of the voters in the city of Grand Rapids were against setting up a local public-housing authority. This is a strong bit of evidence indicating the public sentiment in that community.

Despite this vote, I have supported the Coudert amendment or substitute, which was a true slum-clearance bill and I favored the Rees amendment, which sought to eliminate the low-rent public housing feature in H. R. 4009. Further-

more, I intend to vote to recommit providing the motion to recommit directs the Committee on Banking and Currency to report back forthwith a bill aimed at eliminating our metropolitan slum areas. Although the aforementioned vote in the city of Grand Rapids indicates a disapproval of low-rent public housing, I feel the citizens of the Fifth District of Michigan do favor true slum clearance. Personally, I strongly favor Federal aid for slum clearance and if the Congress could keep a tighter rein on the expenditures for low-rent public housing, I would be sympathetic to that program also.

Mr. SCUDDER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCUDDER. Mr. Chairman, in my opinion, one of the greatest mistakes this Congress could make would be to put the Government into the housing and rental business. It is the same step France took after the First World War when she socialized housing to such an extent that investment of private funds in building construction practically stopped.

This socialized housing bill is politically tinged. Let me quote from the testimony of John W. Edelman, representing the CIO, before the legislative committee at the hearings on this bill. This is what Mr. Edelman said and I quote,

Once this program is well under way, it will develop sufficient political momentum in the future to increase and extend this authorization to whatever extent may be necessary.

The vote-pulling power in public housing projects was borne out last year in California. Although the State over all voted 2 to 1 against public housing, the voters of the First Congressional District, which I represent, defeated this measure by a vote of 31,202 for, and 100,194 against, thus defeating this measure by better than 3 to 1. In this same election those people who live in the public-housing projects voted 2 to 1 for this kind of subsidy.

This is just the camel's foot into the tent, for although 810,000 units are authorized, the bill states that no State may have more than 10 percent, which would mean that our State would be permitted a maximum of 81,000 units. But here is the catch. Those units will be erected over a period of 7 years, or approximately 11,571 units per year.

Now last year, according to the Bureau of Labor Statistics, the State of California erected one-fifth of the total housing in the United States, approximately 158,486 units in 1 year, and we still have a housing shortage. This figure does not include farm and ranch construction of permanent buildings. Los Angeles, San Francisco, San Diego, or any of the large industrial towns could swallow this entire year's allotment of so-called public housing without any other community benefiting from it. And this socialized housing would cost \$114 a year for the next 40 years for every man, woman and child in the First

Congressional District without any benefit to them. Thus when we get down to details, this socialized housing bill will not solve the problem.

I feel that the slum-clearance program contained in this bill will not in any way benefit the First Congressional District which is predominantly agriculture and with many small cities. With very few exceptions these small cities are inhabited by people who take pride in keeping up their homes regardless of how meager their means might be.

Slums, in my opinion, are largely made by the people who live in them. Many large cities throughout the United States have taken pride in cleaning up the areas which, by neglect, have been allowed to run down. I have always been interested in the fine job that has been done by the city of Baltimore, Md. Since 1941 the municipal government with the fine cooperation of the police department, the health department, etc., have worked together and have remodeled and modernized over 10,000 dwelling units.

If other cities would take a little pride and assume the responsibility which is theirs, the slums would soon disappear from their cities. However, I realize in some instances, some areas of our large cities could be more economically developed and possibly the taxpayers of my district would be willing, from a charitable viewpoint, to assist in the clearing of some of these slums that have been permitted to develop.

The low rentals for these housing projects is the bait put out to make it attractive to certain classes. I wish to state that the people of the First Congressional District of California and the Nation would be compelled to pay the difference between the rental of these so-called low-income groups and the real cost of carrying the investment. This cost would come out of every taxpayer, no matter where he himself lived. Before and during the war, thousands of such buildings were constructed and rented by the Federal Government. In practically every Federal housing district, the record shows that families earning from \$3,000 to \$15,000 a year were allowed to move into these buildings, and that they are still occupying them, 4 years after the war.

There has been a rule accepted by all that a tenant can afford to pay from 20 to 25 percent of his income for shelter. If the sponsors of this law are sincere and desire to help the low-income people of our country, they can, without further governmental cost, make available many units now being occupied by five-, ten-, and twenty-thousand-dollar-a-year families.

In all good faith, I introduced the following amendment: After tenant and before the colon on line 15, page 27, insert, and (iii) "Agreed to pay for the premises to be occupied an amount for the rental thereof fixed by the Public Housing Agency or an amount therefor equal to 20 percent of the total combined gross income of the members of the family during the period of occupancy, whichever is the greater."

A question was put to the Housing and Home Finance Agency, asking how many

families presently residing in public housing projects are over the existing maximum income limits. Their report showed over 41,000, or 26 percent, had incomes which would preclude them from living in such projects. Title two was stricken from the bill and I was precluded from submitting my amendment.

Frankly, I do not believe that this bill will increase the number of units that is necessary to build in this country. If this bill goes through, housing will cost more money and, in my judgment, we will get less units of housing. You cannot get housing by legislation. Houses are built by carpenters, painters, bricklayers, and other workmen. Federal housing units are built in large cities of concrete, brick, and cement. The smaller home units are built mainly of wood and lumber. We have a surplus of lumber in our country and thousands of men in the timber and lumber business are out of employment. We must expand the building of smaller individual units not only to take care of this surplus of lumber, but also to help those men who are losing their jobs.

I feel confident that this housing program would be a great menace to building and development. Particularly, I believe it will impede construction of rental units. No one will desire to build for rental when faced with the possibility of Government competition. I believe that if the Government would stay out of the housing business, within a short time the housing needs of the people would be met.

Public housing has been a gold mine for politicians and there will be additional hordes of political bureaucrats hired by the taxpayers' money to administer this program. Public housing has always made itself felt in the housing field, as I pointed out in the voting record in California. Where it exists today, it is used politically. I feel the people in my district should not be compelled to pay the rentals for people residing in the large metropolitan areas.

Mr. HALLECK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Chairman, on June 17 the President addressed a letter to the Speaker saying, in part:

The facts are that the amount of money provided in H. R. 4009 to build 1,050,000 dwelling units will permit an average cost, at the most, of \$8,465.

I had intended to offer an amendment to title II as follows:

Page 32, after line 5, insert the following: "The average cost per family dwelling unit for construction and equipment of all low-rent housing projects initiated after March 1, 1949, with respect to which such contracts are made shall not exceed \$8,465."

The adoption of the Rees amendment striking out all of title II made impossible the offering of my amendment.

While the Rees amendment was subsequently defeated on a roll-call vote, I want the RECORD to show that I hope the

President knew what he was talking about when he fixed the average cost of housing units to be built. They should be built as economically as possible. And they should not be more elaborate, or expensive, than the homes of people who will be paying the taxes to pay for these projects.

Mr. DEANE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DEANE. Mr. Chairman, under the low-rent public housing title of H. R. 4009, there are no specific requirements as to the type of housing to be built by local housing authorities. The requirements of this title run rather to standards assuring that maximum economy will be observed in both construction and operating costs, having in mind the need for durable structures suitable for long-term intensive use. These standards are set forth in lines 7 through 25 on page 31 of the committee bill and in lines 1 through 14 on page 32 which require, first, that construction costs not exceed \$1,750 per room, with authority to the PHA Commissioner to authorize an additional limitation up to \$750 per room in the highest cost areas where necessary for sound construction; second, that the projects assisted under the title shall not be of extravagant design or materials and economy will be promoted both in construction and administration; and, third, that the PHA shall approve each main construction contract, after taking into account the level of construction costs prevailing in the locality where the project is to be located.

It is clear from this language that low-rent projects could consist of multifamily structures, row houses, two-family houses or single-family houses, provided only that the projects will meet the standards as to economy in construction and operation specified above. In actual practice, the decision as to the type of structures to be built will be made by the local housing authorities, subject to PHA approval, and will be based on actual local conditions, such as the type of local housing needs to be served, prevailing land costs, and similar factors affecting both the construction and the operating costs of the projects.

Under the existing public-housing program, all of the 515 rural farm dwellings actually built, as well as the approximately 7,500 rural dwellings contracted for, have involved single-family detached structures. Correspondingly, it is anticipated that, under the new program authorized in H. R. 4009, most of the rural nonfarm low-rent public housing will consist of single-family detached dwellings. Since the bill requires that at least 10 percent of the annual contributions authorization be reserved for projects developed in rural nonfarm areas, a minimum of 100,000 units out of a total authorized program of 810,000 units will probably be located in rural areas.

In the smaller towns and cities, it is also possible that single-family detached dwellings may be feasible. In the larger

cities, where land costs are high and where multifamily or row-house structures usually offer considerable economies in both construction and operating costs, the use of single-family detached structures in low-rent projects would offer greater problems. However, even in those cases, there is nothing in H. R. 4009 which specifically prohibits the development of projects consisting in whole or in part of single-family detached structures, provided they could be built within the applicable construction-cost ceilings and could meet the general standard as to the promotion of economy in construction and operation.

Mr. O'SULLIVAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Chairman, one of the major reasons for the opposition coming from real estate men and many others from my congressional district, who are fighting public housing bill, H. R. 4009, is that "all Federal taxpayers regardless of the size of their income will be contributing to the support of comparatively few occupants of Federal housing," and that it is very unjust and improper to tax all of the people of the Republic in order to clear up slums and construct houses, and housing units, at locations far removed from the domiciles of so many of those who will be required to pay the taxes occasioned by this public housing bill. In other words the selfish theory is advanced that no one should be required by law to pay taxes for anything which is not of direct interest or concern to him, and should not champion any cause which will not enure directly or eventually to his own personal gain or benefit.

Indeed this is a new and novel selfish theory to be now advanced in our fair land, but let us not brush it aside with a platitude, accompanied by a wave of the hand but let us take a little time to examine more closely into this strange and startling theory.

In the first place this bill, if passed, actually will be a real benefit to every person in the United States. As regards the ultimate money value of public housing to all of the people, I say without fear of contradiction that, if adopted, it will save the taxpayers millions of dollars by removing the chief spawning ground of communism, and other un-Americanisms. It will, among other things, lessen adult crime, juvenile crime, and delinquency, the incubating places of many foul diseases of men, women, and children, and the nesting places of many types of immorality and lawlessness.

As regards the ultimate moral and spiritual values, which the people of our Government will reap, I need only to say that the trading of slum homes for decent homes is the greatest builder of real good imaginable. If people, after having endeavored to work and sustain themselves, at perhaps meager pay, are required to go to partake of rest in a tenement slum, or a hutch not fit for a beast to live in, it certainly must have a damnable effect upon them and every

phase of their thinking. It lowers them mentally, spiritually, and morally, I think. On the contrary to return from a menial task to a livable home, in my opinion, would have just the opposite effect upon these lowly and struggling individuals.

But let us just assume that it is correct that if this housing bill is passed many taxpayers of our country will be required to contribute a portion of their tax dollar to something which is not of apparent direct interest or concern to them.

I see nothing wrong whatsoever about such a legislative course. The fact that individual taxpayers do not get any directly traceable value out of a portion of the tax dollar they are required to pay, is no reason why this housing bill should be defeated. Certainly a good American citizen could not afford to make the selfish claim that he should not contribute any money or do anything for any cause unless he secured some value for his money.

When one becomes a member of organized society the first requisite, I believe, is that he must not only be willing but he should be required to make some sacrifices for the public good, and that pertains not only to rights of property but also applies to liberty and even life, when the over-all good of his Government requires it.

If the afore-mentioned major argument of those opposing housing was to be accepted as a rule which the citizen should follow in all of his relations to his Government, then no one should have ever joined the armed forces for the protection of the Republic in any of our past wars, or in any future wars, because he would then be giving his services for the benefit of others.

The United States would have had no Washington, or any of the other heroes of the past, and the world would have never heard of the terms "hero" and "heroism."

I am afraid that such a philosophy as I have herein attempted to debunk is untenable and entirely too selfish to be convincing to people whose lives and consciences have not been warped by prosperity and selfishness. After all, the real philosophy of our type of government and of every other Christian government is—service to all and not service to me—the public good and not my good.

Mr. JONAS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JONAS. Mr. Chairman, I have a letter from a constituent who has been actively engaged in the real-estate business for more than a quarter of a century. He writes to me as follows:

You may be surprised to hear that a real estate man is in favor of H. R. 4009, but I am and one of my reasons is that private enterprise talks a good game of providing housing for the lower-income group but fails in its performance. All buildings under H. R. 4009 will be designed by private architects, private contractors, material dealers and other private enterprises will be used to build all

structures built under the act. We need additional shelter. Our old buildings are rapidly deteriorating. Our cities are now so slum-burdened that property in good condition cannot carry the additional tax burden that slum areas throw onto other districts. Our economy also needs the stimulus now that construction will furnish.

Due to the tremendous losses in real estate and building loans in the 1930 crash, private capital ever since has been reluctant about investing money in large building projects. For about 15 years there has been very little if any building of substantial apartment-house projects except those which were constructed under the jurisdiction and authority of the Government of the United States and financed through Federal funds. Because of the laws dealing with rent control, the tendency has been recently, to finance large projects under control of private enterprise through means known as the cooperative method. Under this plan very little space is made available for housing except to those who have a substantial income.

It is true that there has been considerable activity in connection with building private homes and this activity has especially manifested itself in areas adjacent to big cities or in suburban territories. The difficulty encountered with this kind of construction is that the prices of most of the homes are pegged at a figure far beyond the means of the average man and woman working for a living. On the other hand, construction of large apartment buildings has been at a standstill for years and activities in connection therewith have only recently been revived and which activities in some instances are reflected by the buildings erected with money furnished by insurance companies in the nature of a private loan. A number of projects of this character have been completed in the eastern section of our country but they are notably absent in large cities in the Middle West.

In the past whenever the Government of the United States has decided to finance building projects its activity has largely centered around those projects which were erected to bring about slum clearance. I maintain that we still have a very grave housing shortage although statistics are being presented and figures quoted from time to time that this condition is not grave and that the shortage, if any, will not prevail for any great length of time. I have in mind a shortage relating to homes that can be bought or apartments that can be rented at prices compatible with the incomes of thousands of families who may be described best as the great middle class.

My congressional district in the State of Illinois is one of the largest residential districts in Chicago, yet within that area hundreds of families are obliged to live in broken-down trailers, or hastily thrown together shacks, constructed of knock-down material salvaged from former military barracks. This sordid and deplorable situation prevails within a stone's throw from where people live in modern and comfortable homes. I charge that for years the authorities clothed with the responsibilities of finding a way

out of the confusion that lead to a housing shortage and lack of proper housing facilities have been reporting, investigating, experimenting, interviewing, speaking, and proposing but in the final analysis nothing worth while has been accomplished. City councils in our larger metropolitan centers have wrangled and argued about the nature and character of revising their city codes or the areas to be allotted to slum clearance, have ordered investigations and statistical reports and appointed fact-finding committees and have resorted to about everything except that it has not produced any additional housing.

It is also charged in some instances that the high cost of material and high wages and curtailed hours have been instrumental in preventing private enterprise from doing a good job and making progress in the building of medium-priced homes and apartments. They have used the argument in particular that rent control has created a situation in the face of which private enterprise will not invest its capital in large building projects and that the construction of medium-priced buildings will lag and no change can be looked for as long as the rent-control laws restrict the income of the private investor. There is some merit to that argument, but the surest way to answer the argument is that we do have rent control and we will probably continue to have rent control unless sufficient space is made available to our citizens for dwelling purposes.

It is also reported, and true to some extent, that building codes in our larger cities are in some instances so antiquated and outmoded that they do not permit the erection of modern and up-to-date buildings except at costs that are prohibitive and therefore private capital will not undertake expensive building ventures.

Then again, State housing projects have usually been subject to a referendum which has caused a delay and after receiving approval from the voters not much impetus was added to their efforts. In most instances State housing commissions have accomplished very little. We know that they are subject to political pressure and victims of long and tedious arguments as to where to build and for whose benefit building on a large scale is to be carried on.

In summarizing the causes underlying the present shortage of housing the facts clearly point to the authorities who have had the opportunity and chance to do something about it. Undoubtedly selfish interests have been instrumental in bringing about these complications for which the public has been made to suffer. The home is the backbone and lifeblood of a well-organized society. If the opportunity or desire to own and occupy a home is denied to our fellow citizens then we begin to pave the road that ultimately leads to moral bankruptcy. Presently, thousands of families living in makeshift places have no play yard for their children or any decent place to be occupied for recreation and rest. In the temporary quarters of which there are many, including trailers and shacks, no yard space is available at all. The quarters

themselves are cramped and of a makeshift character without the proper facilities from a standpoint of sanitation, and there is poor ventilation and little privacy.

It is basically wrong to subject law-abiding citizens to such indignities. It is evident to me that all approaches to this very important question of supplying housing has failed either in total or in part. I see no other recourse except that of resorting to Federal aid from the Government. I can surmise the receipt of protests from some sectors of the country and from certain segments of society, especially those who find public housing in conflict with their own personal interest. Undoubtedly, they will shout socialism and deplore Government interference with private enterprise. To some extent, I can sympathize with protests of this nature because I am opposed to legislation that is unqualifiedly socialistic in character and objective. However, to my mind, housing aid warrants liberalization in which we can indulge without being accused of resorting to down-right socialism. There is a certain flexibility to be applied to the laws of necessity which cannot be disregarded when the general welfare of the people is involved. In such case, the project is impressed with a public trust. This is true especially when the masses, after seeking redress from every available source, find their needs and wants not answered or fulfilled but allowed to ride along on a wave of procrastination. I contend that a situation of this kind leads to discontent, breeds leanings toward communism, and lends itself to gradual disintegration of standards by which we judge and govern society. Finally, if this were the first venture that the Government has been called upon to underwrite I would hesitate to give my support to it because I believe that what can be safely left to private enterprise should forever be free from governmental meddling and interference. Have we not set a pattern for aid and support from the Government in scores of other projects that have been approved by Congress and preceded the present request for Federal aid to housing? I cannot mention them all here and now, but the public is no stranger to TVA, farm subsidies, aid to foreign countries, promoting of a merchant marine, the development of large irrigation projects, and many others of a similar nature. In the instant case the question with me is what is the greatest good for the greatest number. Again, Is this legislation a matter of dire necessity?

I am of the belief that housing legislation such as we have before us for consideration serves a most useful purpose and is vitally needed in order to do away with a situation that is perpetrating a decided hardship upon many families who suffer and are innocent victims of a situation from which they now seek relief. They look to us for help, regardless of race, creed, color, or partisan affiliations. I am in sympathy with their pleas and shall unhesitatingly support the bill to give the people of the United States adequate living quarters and sufficient homes wherein they can find the necessary comforts of life for themselves and their families.

Mr. DONOHUE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DONOHUE. Mr. Chairman, it is a pleasure for me to speak in favor of and urge immediate enactment of this housing bill.

Since becoming a Member of Congress, I have constantly advocated Congressional recognition of and relief for the housing shortage admittedly existing in this country. I have personally introduced several bills, one of which was bottled up in the Rules Committee of the Eightieth Congress, that I sincerely felt would materially contribute toward correction of the deplorable housing situation. I am therefore very happy to, at long last, have the opportunity of voting in favor of this measure as a constructive step toward providing decent housing for the American people.

The persistence of the acute housing shortage and the disgraceful slum conditions under which millions of American families are forced to live have made it clear that comprehensive Federal assistance is essential if real progress is to be made toward achieving a Christian home environment for our citizenry as a whole. Doubling up of families and overcrowding are still wide-spread. The prices and rents of decent housing, new or old, even now are beyond the financial reach of a substantial portion of our population. The Bureau of Census recently published figures to show that about 20 percent of the Nation's families receive incomes less than \$2,000; they are the ones who will be primarily affected by the public housing parts of this bill. We must remember also it is authoritatively estimated that the incomes of 40 percent of our families are between \$2,000 and \$4,000. As a result, more than 5,000,000 low-income families are crowded into city slums or other substandard housing. Virtually no progress has been made in the clearance and redevelopment of slums. Bad housing is very widely prevalent on American farms.

The purpose of the proposal we are discussing is to provide the foundation for the comprehensive action needed to overcome these problems. It would do so in four ways: First, through authorization of Federal financial assistance to communities for a long-delayed, but vitally needed start on the clearance of slums and blighted areas for redevelopment; second, through continuation and expansion of Federal financial assistance to communities for low-rent public housing for families of low income; third, through authorization of a comprehensive program of Federal research in housing aimed at relieving the many technical, social, and economic problems which beset the whole field of housing; and, fourth, through the authorization of Federal financial assistance for the provision of decent housing for farm families and particularly for farm families of low income. The bill also would establish, for the first time, a broad national housing objective aimed at achieving as soon as feasible the goal of a de-

cent home and a suitable living environment for every American family, and would define the policies to be followed in attaining that objective.

On the generally accepted basis of paying one-fifth of income for housing, the average rent which the families in our lowest income group—under \$2,500—can afford to pay would be approximately \$27 per month, including heat and all other utilities.

With new housing construction concentrated in price brackets above \$7,000 and rental brackets above \$70 a month, it is clear that new private housing is far beyond the financial reach of these families.

With respect to the supply of used private housing available to these families, experience has shown that generally only that portion of the housing supply which has deteriorated to substandard condition has declined sufficiently in economic rental value to be within the rent-paying ability of low income families. The very existence of the slums and their predominant occupancy by low-income families is proof of that experience. It is further borne out by the fact that the average rent being charged for substandard dwellings in urban areas is \$28.50 per month.

The basic provisions of this proposal are the product of exhaustive congressional investigation and consideration during the past 4 years. They are in accord with the recommendations of the Joint Committee on Housing in its final report, on March 15, 1948, after an intensive study of housing conditions involving extended hearings in 33 cities and the receipt of more than 6,000 printed pages of reliable testimony. In the light of the authentic information available, I do not believe there is anyone who will challenge the fact of the need to provide housing for the people of this country.

As far as I am able to observe, the current sincere opposition to this bill comes from those who very seriously fear it might give the Federal Government dictatorial powers over local communities and would threaten to socialize the housing industry. I admire the sincerity and honesty of these opponents, but I earnestly feel an examination of the true meaning and intent of this legislation will prove their fears are unfounded.

Participation by communities in either the slum-clearance program or the low-rent public-housing program would be entirely at the option and initiative of local governments. Projects would be locally planned and locally executed. The role of the Federal Government would be restricted to the provision of financial assistance, the furnishing of technical aid and advice, and the administration of statutory requirements to insure that the standards of the law are faithfully observed. There is no dictatorship possible under these conditions.

With respect to socialization, the philosophy of the policy declaration in this measure rests squarely on the traditional principle that the Federal Government can and should supplement the resources of State and local governments, and of private enterprise, in order to meet urgent national problems which affect the welfare of the people as a whole.

No one will deny that the present housing crisis in America constitutes such a problem.

This same principle underlies the existing Federal programs for social security, soil conservation, aids to hospital construction, road building, air-line industry development, and a host of similar matters. Public housing is just about as socialistic as public schools or the 24 Republican Senators who, after many days spent hearing both sides of the argument, joined in an overwhelming 57 to 13 vote in favor of this housing program. In other words, those who append the term "socialistic" to this proposal are saying that two-thirds of the Republican side of the Senate are Socialists, which is certainly a preposterous charge.

Let us for a moment look at the religious organizations who would be labeled "socialistic" for their support of this program. Among others, there are the Congregational Christian Churches of the United States of America; the Women's Division of the Methodist Church; the United Council of Church Women; the Christian Social Progress Council of the Northern Baptist Convention; the National Conference of Catholic Charities; the National Lutheran Council, and the Division of Social Education and Action of the Presbyterian Church. This smoke screen of "socialism" is thus dispersed by its own inherent absurdity.

Mr. Chairman, I had not intended to go into prolonged details on a subject that has been so extensively debated on this floor, but I submit it is not superfluous to discuss the housing situation in the terms in which it is regarded by our people—terms of their need for homes in which to live as American should, in which children can get a fair start in life, and which will prove the inspiration which all of us must have to make life worth living.

I call your attention to the needs of nearly 3,000,000 families who do not have any homes at all, but are living with their in-laws and other families and of the 500,000 living in trailers, rooming houses, temporary housing, and other makeshift accommodations. I call your attention to the needs of more than 5,000,000 families in cities and surrounding areas, whose homes fall below decent living standards. May I direct emphasis also toward the families on the farm whose homes are shacks which should be replaced, or, at minimum, need major repairs in order to make them livable. I am not going to recount the vast number of farm homes which do not have the sanitary facilities which have become so essential for safe living in our cities. These are the reasons why we should begin a comprehensive housing program for this country.

Mr. Chairman, we have been genuinely concerned with the difficulties of peoples all over the world, and have appropriated billions of dollars to help them rehabilitate themselves, but we have done little or nothing to demonstrate our concern for our transcendent domestic problem. I submit that the time has come to prove to our own citizens that this is a legislative body primarily existing for

the benefit and welfare of the American people.

Just about a year ago, when we were discussing this same subject, I expressed the earnest hope that the early days of the Eighty-first Congress will see proper action taken to encourage the production of homes and rental units for the people of the United States, at prices they can afford.

May I repeat I am very glad the hour has finally come for me to cast my vote in favor of initiating a program to provide decent housing for the American people who need it most and I urge you, my colleagues, to adopt this measure without further delay.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose: and the Speaker having resumed the chair, Mr. Boggs of Louisiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes, pursuant to House Resolution 357, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment?

Mr. SPENCE. Mr. Speaker, I demand a separate vote on the Rees amendment to strike out the public housing section, title III.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. JACKSON of California. Mr. Speaker, I demand a separate vote on the so-called Jensen amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them engross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. REES: On page 24, line 18, strike out all of the remainder of 24 down to and including line 15 on page 51.

The SPEAKER. The question is on the amendment.

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 204, nays 209, answered "present" 1, not voting 18, as follows:

[Roll No. 117]

YEAS—204

Abbutt	Andrews	Bishop
Abernethy	Arends	Blackney
Allen, Calif.	Auchincloss	Boggs, Del.
Allen, Ill.	Barden	Bolton, Md.
Allen, La.	Barrett, Wyo.	Bonner
Andersen	Bates, Mass.	Bramblett
H. Carl	Beall	Brehm
Anderson, Calif.	Bennett, Fla.	Brooks
Andersen	Bennett, Mich.	Brown, Ohio
August H.	Bentsen	Bryson

Burleson	Hill	Pickett
Burton	Hinshaw	Poage
Byrnes, Wis.	Hobbs	Potter
Case, S. Dak.	Hoeven	Poulson
Chilperfield	Hoffman, Ill.	Rankin
Church	Hoffman, Mich.	Reed, Ill.
Clevenger	Hope	Reed, N. Y.
Cole, Kans.	Horan	Rees
Cole, N. Y.	Jackson, Calif.	Regan
Colmer	James	Rich
Corbett	Jenison	Richards
Cotton	Jenkins	Rivers
Coudert	Jennings	Rogers, Fla.
Cox	Jensen	Rogers, Mass.
Crawford	Johnson	Sadlak
Cunningham	Jonas	Sanborn
Curtis	Jones, N. C.	Scott,
Dague	Judd	Hugh D., Jr.
Davis, Ga.	Kearney	Scrivner
Davis, Wis.	Keefe	Scudder
D'Ewart	Kilburn	Shafer
Dolliver	Kruse	Short
Dondero	Kunkel	Sikes
Doughton	Larcade	Simpson, Ill.
Durham	Latham	Simpson, Pa.
Eaton	LeCompte	Smathers
Ellsworth	LeFevre	Smith, Kans.
Elston	Lemke	Smith, Ohio
Fallon	Lichtenwalter	Smith, Va.
Fellows	Lovre	Smith, Wis.
Fenton	Lucas	Stanley
Fisher	McConnell	Stefan
Ford	McCulloch	Stockman
Gamble	McDonough	Tackett
Gary	McGregor	Talle
Gathings	McMillan, S. C.	Teague
Gavin	Mack, Wash.	Thomas, Tex.
Gillette	Macy	Towe
Golden	Mahon	Van Zandt
Goodwin	Martin, Iowa	Velde
Gossett	Martin, Mass.	Vorys
Graham	Mason	Vursell
Grant	Morrow	Wadsworth
Gross	Meyer	Welchel
Gwinn	Michener	Werdel
Hagen	Miller, Md.	Wheeler
Hale	Miller, Nebr.	Whitten
Hall	Murray, Tenn.	Whittington
Edwin Arthur	Murray, Wis.	Wickersham
Hall	Nelson	Wigglesworth
Leonard W.	Nicholson	Williams
Halleck	Nixon	Willis
Harden	Norblad	Wilson, Ind.
Hare	Norrell	Wilson, Tex.
Harris	O'Hara, Minn.	Winstead
Harrison	O'Konski	Wolcott
Harvey	Passman	Wood
Hébert	Patten	Woodruff
Herlong	Patterson	Worley
Herter	Phillips, Calif.	

NAYS—209

Addonizio	Cooper	Havenner
Albert	Crook	Hays, Ark.
Angell	Crosser	Hays, Ohio
Aspinall	Davenport	Hedrick
Bailey	Davies, N. Y.	Heffernan
Baring	Davis, Tenn.	Helier
Barrett, Pa.	Dawson	Heslton
Bates, Ky.	Deane	Holfield
Battle	DeGraffenried	Holmes
Beckworth	Delaney	Howell
Blemiller	Denton	Huber
Bland	Dingell	Hull
Blatnik	Dollinger	Irving
Boggs, La.	Donohue	Jackson, Wash.
Bolling	Douglas	Jacobs
Bolton, Ohio	Doyle	Javits
Bosone	Eberhart	Jones, Ala.
Breen	Elliott	Jones, Mo.
Brown, Ga.	Engel, Mich.	Karst
Buchanan	Engle, Calif.	Karsten
Buckley, Ill.	Evins	Kean
Buckley, N. Y.	Feighan	Keating
Burdick	Fernandez	Kelley
Burke	Flood	Kennedy
Burnside	Fogarty	Keogh
Byrne, N. Y.	Forand	Kerr
Camp	Frazier	King
Canfield	Fugate	Kirwan
Cannon	Fulton	Klein
Carlyle	Furcolo	Lane
Carnahan	Garmatz	Lanham
Carroll	Gordon	Lesinski
Case, N. J.	Gore	Lind
Cavalcante	Gorski, Ill.	Linehan
Celler	Gorski, N. Y.	Lodge
Chelf	Granahan	Lyle
Chesney	Granger	Lynch
Christopher	Green	McCarthy
Chudoff	Gregory	McCormack
Clemente	Hand	McGrath
Combs	Hardy	McGuire
Cooley	Hart	McKinnon

McSweeney	Patman	Spence
Mack, Ill.	Perkins	Steed
Madden	Pfeiffer,	Stigler
Magee	William L.	Sullivan
Mansfield	Philbin	Sutton
Marcantonio	Phillips, Tenn.	Tauriello
Marsalis	Polk	Taylor
Marshall	Powell	Thompson
Miles	Preston	Thornberry
Miller, Calif.	Price	Tollefson
Mills	Priest	Trimble
Mitchell	Quinn	Underwood
Monroney	Rabaut	Vinson
Morgan	Rains	Wagner
Morris	Ramsay	Walsh
Moulder	Redden	Walter
Multer	Rhodes	Welch, Calif.
Murdock	Ribicoff	Welch, Mo.
Murphy	Riehlman	White, Calif.
Noland	Rodino	White, Idaho
Norton	Roosevelt	Wier
O'Brien, Ill.	Sabath	Wilson, Okla.
O'Brien, Mich.	Sadowski	Withrow
O'Hara, Ill.	Sasser	Wolverton
O'Neill	Scott, Hardie	Woodhouse
O'Sullivan	Secrest	Yates
O'Toole	Sheppard	Young
Pace	Sims	Zablocki

ANSWERED "PRESENT"—1

Morton

NOT VOTING—18

Boykin	McMillen, Ill.	St. George
Bulwinkle	Morrison	Staggers
Chatham	Peterson	Taber
Gilmer	Pfeifer	Thomas, N. J.
Kearns	Joseph L.	Whitaker
Kee	Plumley	
Kilday	Rooney	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. McMillen of Illinois for, with Mr. Rooney against.

Mr. Plumley for, with Mr. Joseph L. Pfeifer against.

Mr. Taber for, with Mr. Gilmer against.

Mr. Kilday for, with Mr. Staggers against.

Mr. Thomas of New Jersey for, with Mr. Morton against.

General pairs until further notice:

Mr. Morrison with Mr. Kearns.

Mr. Whitaker with Mrs. St. George.

Mr. MORTON. Mr. Speaker, I have a live pair with the gentleman from New Jersey, Mr. THOMAS. Had he been present he would have voted "aye." I voted "nay." I therefore withdraw my vote and ask that I be recorded as voting "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment upon which a separate vote is demanded.

The Clerk read as follows:

Page 84, after line 24, add a new section: General provisions: SEC. 512. No part of any appropriation, loan, fund, or expenditure authorized by or provided pursuant to this act, shall be used directly or indirectly to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That such administrative or supervisory employees of the Department as may be designated for the purpose by the Secretary are hereby authorized to administer the oaths to persons making affidavits required by this section, and they

shall charge no fee for so doing: *Provided further*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law."

The SPEAKER. The question is on the amendment.

Mr. JACKSON of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 283, nays 129, not voting 20, as follows:

[Roll No. 118]

YEAS—283

Abbott	Colmer	Gwinn
Abernethy	Combs	Hagen
Albert	Cooper	Hale
Allen, Calif.	Corbett	Hall,
Allen, Ill.	Cotton	Edwin Arthur
Allen, Tex.	Coudert	Hall,
Andersen,	Cox	Leonard W.
H. Carl	Crawford	Halleck
Anderson Calif.	Cunningham	Hand
Andresen,	Curtis	Harden
August H.	Dague	Hardy
Andrews	Davis, Ga.	Hare
Angell	Davis, Tenn.	Harris
Arends	Davis, Wis.	Harrison
Auchincloss	DeGraffenried	Hart
Barden	D'Ewart	Harvey
Barrett, Wyo.	Dolliver	Hays, Ark.
Bates, Mass.	Dondero	Hébert
Battle	Donohue	Hedrick
Beall	Doughton	Herlong
Beckworth	Doyle	Herter
Bennett, Fla.	Durham	Heselton
Bennett, Mich.	Eaton	Hill
Bentsen	Elliott	Hinshaw
Bishop	Ellsworth	Hobbs
Blackney	Elston	Hoeven
Boggs, Del.	Engel, Mich.	Hoffman, Ill.
Boggs, La.	Engle, Calif.	Hoffman, Mich.
Bolton, Md.	Evins	Holmes
Bolton, Ohio	Fallon	Hope
Bonner	Fellows	Horan
Bramblett	Fenton	Hull
Brehm	Fernandez	Irving
Brooks	Fisher	Jackson, Calif.
Brown, Ga.	Ford	James
Brown, Ohio	Frazier	Javits
Bryson	Fugate	Jenison
Burleson	Fulton	Jenkins
Byrnes, Wis.	Gamble	Jennings
Camp	Gary	Jensen
Canfield	Gathings	Johnson
Cannon	Gavin	Jonas
Carlyle	Gillette	Jones, Ala.
Case, N. J.	Golden	Jones, Mo.
Case, S. Dak.	Goodwin	Jones, N. C.
Chelf	Gore	Judd
Chilperfield	Gossett	Kean
Church	Graham	Kearney
Clevenger	Grant	Keating
Cole, Kans.	Gregory	Keefe
Cole, N. Y.	Gross	Kennedy

Kerr	Patten	Smith, Wis.
Kilburn	Patterson	Stanley
Kruse	Pfeiffer,	Steed
Kunkel	William L.	Stefan
Lanham	Philbin	Stigler
Larcade	Phillips, Calif.	Stockman
Latham	Phillips, Tenn.	Sutton
LeCompte	Pickett	Tackett
LeFevre	Poage	Talle
Lenke	Potter	Taylor
Lichtenwalter	Poulson	Thomas, Tex.
Lodge	Preston	Thompson
Lovre	Priest	Thornberry
Lucas	Rains	Tollefson
Lyle	Rankin	Towe
McConnell	Redden	Trimble
McCulloch	Reed, Ill.	Underwood
McDonough	Reed, N. Y.	Van Zandt
McGregor	Rees	Velde
McMillan, S. C.	Regan	Vinson
Mack, Wash.	Ribicoff	Vorsys
Macy	Rich	Vursell
Mahon	Richards	Wadsworth
Martin, Iowa	Riehlman	Wagner
Martin, Mass.	Rivers	Walter
Mason	Rogers, Fla.	Welch
Morrow	Rogers, Mass.	Welch, Calif.
Meyer	Sadlak	Werdel
Michener	Sanborn	Wheeler
Miller, Md.	Sasser	Whitten
Miller, Nebr.	Scott, Hardie	Whittington
Mills	Scott,	Wickersham
Monroney	Hugh D., Jr.	Wigglesworth
Morton	Scrivner	Williams
Moulder	Scudder	Willis
Murray, Tenn.	Secrest	Wilson, Ind.
Murray, Wis.	Shafer	Wilson, Okla.
Nelson	Sheppard	Wilson, Tex.
Nicholson	Short	Winstead
Nixon	Sikes	Wolcott
Norblad	Simpson, Ill.	Wolverton
Norrell	Simpson, Pa.	Wood
O'Hara, Minn.	Smathers	Woodruff
O'Konski	Smith, Kans.	Worley
Pace	Smith, Ohio	
Passman	Smith, Va.	

NAYS—129

Addonizio	Fogarty	Miles
Aspinall	Forand	Miller, Calif.
Bailey	Garmatz	Mitchell
Baring	Gordon	Morgan
Barrett, Pa.	Gorski, Ill.	Morris
Bates, Ky.	Gorski, N. Y.	Multer
Biemiller	Granahan	Murdock
Bland	Granger	Murphy
Blatnik	Green	Noland
Bolling	Havener	Norton
Cereno	Levy, Ohio	O'Brien, Ill.
Breen	Heffernan	O'Brien, Mich.
Buchanan	Heller	O'Hara, Ill.
Buckley, Ill.	Holifield	O'Neill
Buckley, N. Y.	Howell	O'Sullivan
Burdick	Huber	O'Toole
Burke	Jackson, Wash.	Patman
Burnside	Jacobs	Perkins
Burton	Karst	Polk
Byrne, N. Y.	Karsten	Powell
Carnahan	Kelley	Price
Carroll	Keogh	Quinn
Cavalcante	King	Rabaut
Celler	Kirwan	Ramsay
Chesney	Klein	Rhodes
Christopher	Lane	Rodino
Chudoff	Lesinski	Roosevelt
Clemente	Lind	Sabath
Cooley	Linehan	Sadowski
Crook	Lynch	Sims
Crosser	McCarthy	Spence
Davenport	McCormack	Sullivan
Davies, N. Y.	McGrath	Tauriello
Dawson	McGuire	Walsh
Deane	McKinnon	Welch, Mo.
Delaney	McSweeney	White, Calif.
Denton	Mack, Ill.	White, Idaho
Dingell	Madden	Wier
Dollinger	Magee	Withrow
Douglas	Mansfield	Woodhouse
Eberhart	Marcantonio	Yates
Feighan	Marsalis	Young
Flood	Marshall	Zablocki

NOT VOTING—20

Boykin	Kilday	Rooney
Bulwinkle	McMillen, Ill.	St. George
Chatham	Morrison	Staggers
Furcolo	Peterson	Taber
Gilmer	Pfeifer,	Teague
Kearns	Joseph L.	Thomas, N. J.
Kee	Plumley	Whitaker

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Kilday for, with Mr. Rooney against.
Mr. Thomas of New Jersey for, with Mr. Joseph L. Pfeifer against.

Additional general pairs:

Mr. Morrison with Mr. McMillen of Illinois.
Mr. Staggers with Mr. Plumley.
Mr. Whitaker with Mrs. St. George.
Mr. Gilmer with Mr. Taber.
Mr. Peterson with Mr. Kearns.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. WOLCOTT. Mr. Speaker, I offer a motion to recommit, which is on the Clerk's desk.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WOLCOTT. I am opposed to the bill, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. WOLCOTT moves to recommit the bill (H. R. 4009) to the Committee on Banking and Currency with instructions to report the same to the House forthwith with the following amendments: Strike out all after the enacting clause and insert in lieu thereof the following: That this act may be cited as the "Housing Act of 1949."

"TITLE I—SLUM CLEARANCE AND COMMUNITY DEVELOPMENT AND REDEVELOPMENT"

"LOCAL RESPONSIBILITIES"

"SEC. 101. In extending financial assistance under this title, the Administrator shall—

"(a) give consideration to the extent to which appropriate local public bodies have undertaken positive programs (1) for encouraging housing cost reductions through the adoption, improvement, and modernization of building and other local codes and regulations so as to permit the use of appropriate new materials, techniques, and methods in land and residential planning, design, and construction, the increase of efficiency in residential construction, and the elimination of restrictive practices which unnecessarily increase housing costs, and (2) for preventing the spread or recurrence, in such community, of slums and blighted areas through the adoption, improvement, and modernization of local codes and regulations relating to land use and adequate standards of health, sanitation, and safety for dwelling accommodations; and

"(b) encourage the operations of such local public agencies as are established on a State, or regional (within a State), or unified metropolitan basis or as are established on such other basis as permits such agencies to contribute effectively toward the solution of community development or redevelopment problems on a State, or regional (within a State), or unified metropolitan basis.

"LOANS"

"SEC. 102. (a) To assist local communities in eliminating their slums and blighted areas and in providing maximum opportunity for the redevelopment of project areas by private enterprise, the Administrator may make tem-

porary and definitive loans to local public agencies for the undertaking of projects for the assembly, clearance, preparation, and sale and lease of land for redevelopment. Such loans (outstanding at any one time) shall be in such amounts not exceeding the expenditures to be made by the local public agency as part of the gross project cost, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding, in the case of definitive loans, forty years from the date such loans are made, as may be deemed advisable by the Administrator.

"(b) In connection with any project on land which is open or predominantly open, the Administrator may make temporary loans to municipalities or other public bodies for the provision of public buildings or facilities necessary to serve or support the new uses of land in the project area. Such temporary loans shall be in such amounts not exceeding the expenditures to be made for such purpose, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding 10 years from the date such loans are made), as may be deemed advisable by the Administrator.

"(c) Loans made pursuant to subsection (a) or (b) hereof may be made subject to the condition that, if at any time or times or for any period or periods during the life of the loan contract the local public agency can obtain loan funds from sources other than the Federal Government at interest rates lower than provided in the loan contract, it may do so with the consent of the Administrator at such times and for such periods without waiving or surrendering any rights to loan funds under the contract for the remainder of the life of such contract, and, in any such case, the Administrator is authorized to consent to a pledge by the local public agency of the loan contract, and any or all of its rights thereunder, as security for the repayment of the loan funds so obtained from other sources.

"(d) The Administrator may make advances of funds to local public agencies for surveys and plans in preparation of projects which may be assisted under this title, and the contracts for such advances of funds may be made upon the condition that such advances of funds shall be repaid, with interest at not less than the applicable going Federal rate, out of any moneys which become available to such agency for the undertaking of the project or projects involved.

"(e) To provide funds for loans under this title, there is hereby authorized to be appropriated (1) for the fiscal year ending June 30, 1950, not to exceed \$25,000,000, (2) for the fiscal year ending June 30, 1951, not to exceed \$225,000,000, and (3) for each of the three following fiscal years, not to exceed \$250,000,000.

"CAPITAL GRANTS"

"SEC. 103. (a) The Administrator may make capital grants to local public agencies to enable such agencies to make land in project areas available for redevelopment at its fair value for the uses specified in the redevelopment plans: *Provided*, That the Administrator shall not make any contract for capital grant with respect to a project which consists of open unplatted urban or suburban land. The aggregate of such capital grants with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title shall not exceed two-thirds of the aggregate of the net project costs of such projects, and the capital grants with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project.

"(b) The Administrator, on and after July 1, 1949, may, with the approval of the President and to the extent appropriated funds are available for such purpose, contract to make capital grants, with respect to projects assisted under this title, aggregating not to exceed \$100,000,000, which limit shall be increased by further amounts of \$100,000,000 on July 1 in each of the years 1950, 1951, 1952, and 1953, respectively.

"REQUIREMENTS FOR LOCAL GRANTS-IN-AID"

"SEC. 104. Every contract for capital grant under this title shall require local grants-in-aid in connection with the project involved which, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency on which contracts for capital grants have theretofore been made, will be at least equal to one-third of the aggregate net project costs involved (it being the purpose of this provision and section 103 to limit the aggregate of the capital grants made by the Administrator with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title to an amount not exceeding two-thirds of the difference between the aggregate of the gross project costs of all such projects and the aggregate of the total sales prices and capital values referred to in section 108 (f) of land in such projects).

"LOCAL DETERMINATIONS"

"SEC. 105. Contracts for financial aid shall be made only with a duly authorized local public agency and shall require that—

"(a) The redevelopment plan for the project area be approved by the governing body of the locality in which the project is situated, and that such approval include findings by the governing body that (i) the financial aid to be provided in the contract is necessary to enable the land in the project area to be redeveloped in accordance with the redevelopment plan; (ii) the redevelopment plans for the redevelopment areas in the locality will afford maximum opportunity, consistent with the sound needs of the locality as a whole, for the redevelopment of such areas by private enterprise; and (iii) the redevelopment plan conforms to a general plan for the development of the locality as a whole;

"(b) When land acquired or held by the local public agency in connection with the project is sold or leased, the purchasers or lessees shall be obligated (i) to devote such land to the uses specified in the redevelopment plan for the project area; (ii) to begin the building of their improvements on such land within a reasonable time; and (iii) to comply with such other conditions as the Administrator finds, prior to the execution of the contract for loan or capital grant pursuant to this title, are necessary to carry out the purposes of this title;

"(c) There be a feasible method for the temporary relocation of families displaced from the project area, and that there are or are being provided, in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced from the project area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and reasonably accessible to their places of employment.

"(d) The redevelopment plan for the project area include the elimination by demolition, condemnation, and effective closing, or the compulsory repair or improvement, of unsafe or insanitary dwellings situated in the locality or metropolitan area, substantially equal in number to the number of new dwellings contemplated by such plan.

"(e) No land for any project to be assisted under this title shall be acquired by the local

public agency except after public hearing following notice of the date, time, place, and purpose of such hearing published not less than 10 nor more than 20 days prior to the date of such hearing.

"GENERAL PROVISIONS"

"SEC. 106. (a) The Administrator shall make an annual report to the President with respect to his functions under this title, for transmission to the Congress, to be submitted as soon as practicable following the close of the year for which such report is made.

"(b) Funds made available to the Administrator pursuant to the provisions of this title shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Administrator in connection with the performance of his functions under this title shall be available for any of the purposes of this title (except for capital grants pursuant to section 103 hereof), and all funds available for carrying out the functions of the Administrator under this title (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Administrator in connection with the performance of such functions.

"(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, may—

"(1) sue and be sued;

"(2) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project or part thereof in connection with which he has made a loan or capital grant pursuant to this title. In the event of any such acquisition, the Administrator may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, dispose of, and otherwise deal with, such project or part thereof: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

"(3) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned, and such sums shall approximate the taxes which would be paid upon such property to the State or local taxing authority, as the case may be, if such property were not exempt from taxation;

"(4) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

"(5) obtain insurance against loss in connection with property and other assets held;

"(6) subject to the specific limitations in this title, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, amount of capital grant, or any other term, of any contract or agreement to which he is a party or which has been transferred to him pursuant to this title; and

"(7) include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions (including such covenants, conditions, or provisions as, in the determination of the Administrator, are necessary or desirable to prevent the payment of excessive prices for the acquisition of land in connection with projects assisted under this title) as he may deem necessary to assure that the purposes of this title will be achieved. No provision of this

title shall be construed or administered to permit speculation in land holding.

"(d) Section 3709, as amended, of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this title if the amount of such contract does not exceed \$1,000.

"(e) Not more than 10 percent of the funds provided for in this title, either in the form of loans or grants, shall be expended in any one State.

"PROTECTION OF LABOR STANDARDS"

"SEC. 107. In order to protect labor standards—

"(a) Any contract for financial aid pursuant to this title shall contain a provision requiring that not less than the wages or fees prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Administrator, shall be paid to all architects, technical engineers, draftsmen, technicians, laborers, and mechanics employed in the development of the project involved; and the Administrator may require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract;

"(b) The provisions of title 18, United States Code, section 874, and of title 40, United States Code, section 276c, shall apply to any project financed in whole or in part with funds made available pursuant to this title;

"(c) Any contractor engaged on any project financed in whole or in part with funds made available pursuant to this title shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner, within 5 days after the close of each month and on forms to be furnished by the United States Department of Labor, as to the number of persons on their respective pay rolls on the particular project, the aggregate amount of such pay rolls, the total man-hours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

"DEFINITIONS"

"SEC. 108. The following terms shall have the meanings, respectively, ascribed to them below, and, unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

"(a) 'Redevelopment area' means an area which is appropriate for development or redevelopment and within which a project area is located.

"(b) 'Redevelopment plan' means a plan, as it exists from time to time, for the development or redevelopment of a redevelopment or project area, which plan shall be sufficiently complete (1) to indicate its relationship to definite local objectives as to appropriate land uses and improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; and (2) to indicate proposed land uses and building requirements in the project area: *Provided*, That the Administrator shall take such steps as he deems necessary to assure consistency between the redevelopment plan and any highways or other public improvements in the locality receiving financial assistance from the Federal Works Agency.

"(c) 'Project' may include (1) acquisition of (i) a slum area or a deteriorated or deteriorating area which is predominantly residential in character or (ii) any other deteriorated or deteriorating area which is to be developed or redeveloped for predominantly residential uses, or (iii) land which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of

structures or of site improvements, or otherwise substantially impairs or arrests the sound growth of the community and which is to be developed for predominantly residential uses, or (iv) open land necessary for sound community growth which is to be developed for predominantly residential uses (in which event the project thereon, as provided in the proviso of section 103 (a) hereof, shall not be eligible for any capital grant); (2) demolition and removal of buildings and improvements; (3) installation, construction, or reconstruction of streets, utilities, and other site improvements essential to the preparation of sites for uses in accordance with the redevelopment plan; and (4) making the land available for development or redevelopment by private enterprise or public agencies (including sale, initial leasing, or retention by the local public agency itself) at its fair value for uses in accordance with the redevelopment plan. For the purposes of this title, the term 'project' shall not include the construction of any of the buildings contemplated by the redevelopment plan, and the term 'redevelopment' and derivatives thereof shall mean develop as well as redevelop. For any of the purposes of section 107 hereof, the term 'project' shall not include any donations or provisions made as local grants-in-aid and eligible as such pursuant to clauses (2) and (3) of section 108 (d) hereof.

"(d) 'Local grants-in-aid' shall mean assistance by a State, municipality, or other public body, or any other entity, in connection with any project on which a contract for capital grant has been made under this title, in the form of (1) cash grants; (2) donations, at cash value, of land (exclusive of land in streets, alleys, and other public rights-of-way which may be vacated in connection with the project), and demolition or removal work, or site improvements in the project area, at their cost; and (3) the provision, at their cost, of parks, playgrounds, and public buildings or facilities (other than low-rent public housing) which are primarily of direct benefit to the project and which are necessary to serve or support the new uses of land in the project area in accordance with the redevelopment plan: *Provided*, That, in any case where, in the determination of the Administrator, any park, playground, public building, or facility is of direct and substantial benefit both to the project and to other areas, the Administrator shall provide that, for the purpose of computing the amount of the local grants-in-aid for such project, there shall be included an allowance of an appropriate portion (as determined by the Administrator) of the cost of such park, playground, public building, or facility. No demolition or removal work, improvement, or facility for which a State, municipality, or other public body has received or has contracted to receive any grant or subsidy from the United States, or any agency or instrumentality thereof, for such work, or the construction of such improvement or facility, shall be eligible for inclusion as a local grant-in-aid in connection with a project or projects assisted under this title.

"(e) 'Gross project cost' shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) the amount of such local grants-in-aid as are furnished in forms other than cash.

"(f) 'Net project cost' shall mean the difference between the gross project cost and the aggregate of (1) the total sales prices of all land sold, and (2) the total capital values (1) imputed, on a basis approved by the Administrator, to all land leased, and (ii) used as a basis for determining the amounts to be transferred to the project from other funds

of the local public agency to compensate for any land retained by it for use in accordance with the redevelopment plan.

"(g) 'Going Federal rate' means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more, determined at the date the contract for advance of funds or for loan is made. Any contract for loan made may be revised or superseded by a later contract, so that the going Federal rate, on the basis of which the interest rate on the loan is fixed, shall mean the going Federal rate, as herein defined, on the date that such contract is revised or superseded by such later contract.

"(h) 'Local public agency' means any State, county, municipality, or other governmental entity or public body which is authorized to undertake the project for which assistance is sought. 'State' includes the several States, the District of Columbia, and the Territories, dependencies, and possessions of the United States.

"(i) 'Administrator' means the Housing and Home Finance Administrator.

"TITLE II—WAR HOUSING DISPOSAL "DEFINITIONS

"SEC. 201. For the purposes of this title—
"(1) The term 'Administrator' means the Federal Works Administrator.

"(2) The term 'Lanham War Housing Act' means the act entitled 'An act to expedite the provision of housing in connection with national defense, and for other purposes,' approved October 14, 1940, as amended.

"(3) The term 'war housing' means any interest, owned by the United States and under the control of the National Housing Agency, in (A) housing (other than temporary housing) acquired or constructed under the Lanham War Housing Act, under the Second Supplemental National Defense Appropriation Act, 1941 (Public No. 781, 76th Cong.), as amended, under the Urgent Deficiency Appropriation Act, 1941 (Public Law 9, 77th Cong.), or under the Second Deficiency Appropriation Act, 1944 (Public Law 375, 78th Cong.), and (B) such other property as is determined by the Administrator to be essential to the use of such housing.

"(4) The term 'veteran' means (A) any person in the active military or naval service of the United States during the present war, or (B) any person who served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war, and who has been discharged or released therefrom under conditions other than dishonorable after active service of 90 days or more or by reason of an injury or disability incurred in service in line of duty.

"(5) The term 'dwelling' means a war housing building designed for residential use of one or more families.

"(6) The term 'dwelling unit' means a dwelling, or that part of a dwelling, which is designed for residential use of one family.

"TRANSFER OF WAR HOUSING TO FEDERAL WORKS ADMINISTRATION

"SEC. 202. (a) The functions of the Housing and Home Finance Administrator and of the Housing and Home Finance Agency with respect to war housing are hereby transferred to the Administrator.

"(b) There are hereby transferred to the Administrator, to be used or held in connection with the exercise of the functions transferred by this section, (1) the records and property used or held on the date of the enactment of this title in connection with such functions, and (2) so much of the unexpended balances of appropriations, allocations, or other funds available for use by the Housing and Home Finance Administra-

tor or the Housing and Home Finance Agency in the exercise of such functions as the Director of the Budget shall determine.

"SALE OF WAR HOUSING

"SEC. 203. (a) All war housing (except mortgages, liens, or other interests as security) transferred to the Administrator by section 202 shall, subject to the provisions of this title, be sold for cash as expeditiously as possible and not later than December 31, 1950. Wherever practicable each dwelling in a war-housing project shall be offered for sale separately from other dwellings in such project. Any mortgage, lien, or other interest as security transferred to the Administrator by section 202 or acquired by him under this title pursuant to a contract entered into prior to February 26, 1947, may, subject to the provisions of this section, be sold for cash.

"(b) (1) Except as provided in paragraph (2) of this subsection, the price to be paid for war housing sold under this title shall be a price not less than the reasonable value thereof at the time of the offer for sale as determined by appraisal made by an appraiser or appraisers designated by the Federal Housing Commissioner.

"(2) The price to be paid for any mortgage, lien, or other interest as security sold under this section shall be a price not less than the unpaid principal (plus accrued interest thereon) of the obligation with respect to which the mortgage, lien, or other interest as security is held.

"(c) Except as provided in subsections (a) and (b), the sale of war housing under this title shall be with or without warranty and upon such other terms and conditions as the Administrator deems proper.

"TRANSFER OF WAR HOUSING TO THE DEPARTMENTS OF THE NATIONAL MILITARY ESTABLISHMENT

"SEC. 204. Notwithstanding the provisions of this title or any other provision of law, the Administrator may, in his discretion, upon the request of the Secretary of Defense, transfer to the jurisdiction of any Department of the National Military Establishment any war housing situated within the proximate vicinity of any permanent Army, Navy, or Air Force establishment, if a request for such transfer was on file April 15, 1947.

"WAR HOUSING MORTGAGE INSURANCE

"SEC. 205. Title VI of the National Housing Act, as amended, is hereby amended by adding at the end thereof the following:

"SEC. 612. (a) The Administrator is authorized, upon application by the mortgagee, to insure under section 603 or 608 of this title any mortgage executed in connection with the sale by the Federal Works Administrator of any housing (including property determined by the Federal Works Administrator to be essential to the use of such housing) transferred to the Federal Works Administrator by the War Housing Disposal Act of 1947 without regard to—

"(1) any limit as to the time when any mortgage may be insured under this title;

"(2) any limits as to the aggregate amount of principal obligations of all mortgages insured under this title, but the aggregate amount of principal obligations of all mortgages insured pursuant to this section shall not exceed \$750,000,000;

"(3) any requirement that the obligation be approved for mortgage insurance prior to the beginning of construction or that the construction be new construction;

if such mortgage is otherwise eligible for insurance under such section and is eligible for insurance under subsection (b) of this section.

"(b) To be eligible for insurance pursuant to this section a mortgage shall—

"(1) have a maturity satisfactory to the Administrator but not to exceed twenty-five

years from the date of the insurance of the mortgage.

"(2) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Administrator shall approve) in an amount not to exceed 90 percent of the reasonable value of the mortgaged property as determined by appraisal made by an appraiser or appraisers designated by the Administrator."

"PREFERENCES

"SEC. 206. (a) Preference in the purchase of any dwelling designated for occupancy by less than five families shall be granted to veterans and their families and to occupants over other prospective purchasers of such dwelling in the following order:

"(1) A veteran and his family who occupy a dwelling unit in the dwelling to be sold.

"(2) A veteran and his family who do not occupy a dwelling unit in the dwelling to be sold but who intend to occupy a dwelling unit in the dwelling to be purchased; but if the dwelling is designed for occupancy by two, three, or four families, equal preference shall be granted to a private corporation, association, or cooperative society which is the legal agent of veterans and their families who intend to occupy the dwelling purchased by such corporation, association, or society.

"(3) A nonveteran who occupies a dwelling unit in the dwelling to be sold.

"(b) In the case of any war housing project where it is not practicable to offer each dwelling for sale separately from other dwellings in the project and in the case of any dwelling designed for occupancy by more than four families, preference in the purchase thereof shall be granted first to any private corporation, association, or cooperative society which is the legal agent of veterans who intend to occupy the war housing purchased by such corporation, association, or society, and second to any city, village, town, county, or other political subdivision, or public agency or corporation (including a housing authority), in whose area of jurisdiction or operation any such dwelling is located.

"(c) The Administrator shall give such notice in such manner as he deems reasonable to enable prospective purchasers who have a preference under this section in the purchase of war housing to exercise such preference. Any prospective purchaser having a preference under subsection (a) in the purchase of any dwelling may apply for the purchase of such dwelling (1) if the preference is under paragraph (1), within 30 days after the date of the notice of the offer for sale, (2) if the preference is under paragraph (2), within 60 days after the date of the notice of the offer for sale, and (3) if the preference is under paragraph (3), within 90 days after the date of the notice of the offer for sale. Any corporation, association, or society having a preference under subsection (1) in the purchase of any war housing may apply for the purchase of such housing within 180 days after the date of the notice of the offer for sale.

"SALES WITHOUT PREFERENCE

"SEC. 207. If any dwelling or war housing project is not sold to a purchaser who is granted a preference under section 205 and who applied within the time prescribed in subsection (c) of such section, such dwelling or war housing project shall be sold as provided in this title without regard to any preferences granted under section 205 and without regard to any restrictions contained in any other law as to whom war housing may be sold.

"TITLE OF PURCHASER

"SEC. 208. A deed or other instrument executed by or on behalf of the Administrator purporting to transfer title or any other

interest in property under this title shall be conclusive evidence of compliance with the provisions of this title insofar as title or other interest of any bona fide purchasers for value is concerned.

"VALIDITY OF CONTRACTS"

"SEC. 209. Nothing in this title shall be deemed to impair or modify any contract entered into prior to February 26, 1947, for the sale of property, or any term or provision of any such contract, without the consent of the purchaser or his assignee, if the contract or the term or provision thereof is otherwise valid.

"DISPOSITION OF PROCEEDS"

"SEC. 210. Moneys derived by the Administrator from the disposition of war housing under this title shall be covered into the Treasury as miscellaneous receipts.

"TITLE III—VETERANS' HOMESTEAD ASSOCIATIONS"

"SEC. 301. The Servicemen's Readjustment Act of 1944, as amended, is hereby amended by inserting immediately after section 510 thereof the following new sections:

"VETERANS' HOMESTEAD ASSOCIATIONS"

"SEC. 511. (a) In enacting this section to alleviate the existing housing shortage, it is the intent of the Congress to provide means of ownership and financing, within the framework of our private enterprise system and without vast expenditures of public moneys, whereby veterans themselves, associated together within their own communities, can build, buy, or rent homes upon terms which veterans can afford; and to provide the public facilities essential to such homes without the imposition of additional financial burdens upon veterans who may be owners thereof or tenants therein.

"DEFINITIONS"

"(b) As used in this section, except where the context otherwise requires, the term—

"(1) 'Association' means a veterans' homestead association chartered pursuant to this act.

"(2) 'Housing' means permanent type of housing; does not include transient housing such as tourist cabins, motor courts, or apartment hotels; but may include multi-family dwellings or single-family dwellings, whether located on contiguous or scattered sites.

"(3) 'Improve' as applied to real property shall include (a) grading, landscaping, and any other site development; and (b) construction, repair, remodeling, or demolition (whether for salvage or reuse) of buildings and other structures thereon.

"(4) 'Real property' means lands, whether or not improved, and any buildings or other structures thereon, including fixtures and personality attached thereto.

"(5) 'Public facilities' includes public highways and parks, roads, streets, curbs, gutters, and sidewalks, bus stations and bus stops, water storage, purification and distribution works, sewage, garbage and refuse collection, treatment and disposal facilities (including trunk and lateral sewers), fire stations, fire equipment and fire plugs, street-lighting facilities, schools, community centers, and recreational facilities.

"(6) 'Veteran' means any person described under the provisions of subsection 500 (a) of this title.

"ORGANIZATION OF VETERANS' HOMESTEAD ASSOCIATIONS"

"(c) The Administrator is hereby authorized, subject to the provisions of this section and under such rules and regulations as he may prescribe, to provide for the organization, incorporation, examination, operation, and regulations of associations to be known as 'veterans' homestead associations,' and to issue charters therefor in such form as he may prescribe, and to consent to the amend-

ment of any such charter: *Provided*, That a certified copy of all such charters shall be filed in each county where such association operates.

"QUALIFICATION FOR MEMBERSHIP"

"(d) Five or more veterans of ability, good character, and responsibility as determined by the Administrator, may apply for a charter hereunder. Each association shall determine its own rules of eligibility for membership therein subject only to the conditions that (1) membership shall be limited to veterans; (2) no veteran shall become or remain a member unless and until his accumulated payments to the association, in accordance with subsection (j) shall equal or exceed \$100; and (3) no veteran shall become a member of an association until he has executed and filed with the Veterans' Administration an affidavit to the effect that he is not a Communist and does not belong to any subversive organization.

"PRIMARY PURPOSE OF ASSOCIATIONS"

"(e) Each organization shall be organized and shall operate on a nonprofit basis. It shall have as its primary purposes, (1) to acquire and improve real property to provide housing to be sold to veterans for occupancy by themselves, personally, together with their families or dependents; (2) to acquire and improve and to operate and maintain real property to provide multiunit housing, including such commercial and community facilities as may be reasonably necessary or desirable to facilitate the use thereof for residential purposes, to be rented to veterans for occupancy by themselves, personally, together with their families or dependents; and (3) to acquire and improve, and to operate and maintain real property to provide multiunit housing, including such commercial and community facilities as may be reasonably necessary or desirable to facilitate the use thereof for residential purposes, to be owned or held by the members of the association on a mutual or cooperative basis, to be occupied by themselves, personally, together with their families or dependents. To this end, and pursuant to rules and regulations issued by the Administrator, each association shall provide maximum opportunity and priority for the purchase or rental of such housing, first to members of such associations, and second, to nonmember veterans.

"NUMBER OF ASSOCIATIONS"

"(f) The Administrator may, in his discretion, charter one or more associations in any locality; and he may, in his discretion, refuse to charter any proposed association upon his finding that the veterans in the locality in which it is proposed that such association would operate are or will be adequately served by an association or associations then already chartered for operation in such locality.

"POWER OF VETERANS HOMESTEAD ASSOCIATIONS"

"(g) Under rules and regulations issued by the Administrator, each association shall have the following powers:

"(1) Subject to the provisions and limitations of this section, to purchase, or otherwise acquire, any real property or leasehold or other interest therein, whether improved or unimproved, to subdivide, construct improvements on, repair, modernize, renovate, maintain, and operate any such property, and to purchase, or otherwise acquire, any personal property necessary or desirable for any of the foregoing.

"(2) Subject to the provisions and limitations of this section, to hold, sell, or contract for the sale of, lease, rent, mortgage, or otherwise deal with, encumber, hypothecate, or dispose of any acquired property; all on such terms and conditions as may be deemed proper and consistent with other provisions of this act: *Provided, however*, That so long as any association is obligated

to the Administrator on account of advances or loans made under subsection (m) hereof no association may pledge, mortgage, or otherwise create a lien upon or encumber any real property to which it holds title without the consent of the Administrator: *And provided further*, That each unit sold to or held in cooperative or mutual ownership by an eligible veteran shall be reported to the Administrator, who shall charge against such veteran's guaranty benefit the maximum amount so chargeable if a loan for the full purchase price or cost of such unit had been guaranteed or insured under this title, and shall pay an amount equivalent to 4 percent of the amount so charged to the association to be credited upon the obligation of such veterans to the association, unless such charge and such payment are required to be made otherwise to finance the purchase of such unit.

"(3) To purchase, construct, improve, or otherwise provide, to receive grants for, and to maintain and operate public facilities (which shall include for this purpose gas and electric distribution lines and facilities) reasonably necessary or desirable for the housing provided by or of the association, where such public facilities are then not otherwise available for such housing: *Provided*, That no association shall operate any mercantile establishment or other commercial enterprise, or operate any amusement enterprise.

"(4) To borrow money as may be required within the purposes and limitations of this section, and to execute notes or other obligations therefor.

"(5) To build up and maintain reasonable reserves: *Provided, however*, That such reserves shall not exceed in the aggregate 5 percent of the total obligations of such associations outstanding from time to time.

"(6) To make, adopt, repeal, and amend bylaws; to employ and to pay reasonable salaries to, the employees of the associations for services performed. Employees need not be veterans.

"(7) To exercise such other powers, not inconsistent with this title, as are appropriate for the conduct of the business of the association.

"(8) To require that all officers and employees of the association who handle funds of the association be bonded by an approved surety company in an adequate amount.

"ANNUAL AND OTHER REPORTS OF ASSOCIATIONS"

"(h) Every association shall file, with the Administrator, not later than 45 days after the close of its fiscal year, an annual financial statement and shall also furnish to him such other financial statements, at such other times as he may require. All such reports shall be in such form and in such detail as may be prescribed by the Administrator. The Administrator shall make, annually and at such other times as he deems necessary, an examination of the financial books, records, and affairs of each association, in the manner customary for supervision of fiduciary institutions.

"PAYMENTS BY ASSOCIATION MEMBERS"

"(1) Members of an association shall not be required to pay dues. Each association shall provide in its bylaws for the payment by each prospective member of the sum of \$100 to be credited on the books of the association to the credit of such persons. The sums so paid shall not bear interest. Each such sum shall be entered on the books of the association as a credit to the member making such payment for possible application either (1) as payment on a home purchased by such member from the association; or (2) as security for rent on a home rented from the association by such member. Each association shall provide further in its bylaws that a member may voluntarily withdraw from such association at any time and may receive back an amount equal to the

amount of his payment to the association (unless such payments shall have been applied as payment on a home purchased by such member from the association or is held by the association as security for the payment of rent), but only after 1 year following the date of the initial payment and then only upon 60 days' notice to the association.

"LIMITATION ON COST AND AMOUNT OF HOUSING"

"(k) No association shall purchase or improve, or contract for the purchase or improvement of, or otherwise acquire, any real property, unless, in the opinion of the Administrator, (1) the estimated final cost of the proposed housing (exclusive of related real property designed for commercial operation), as determined by the amounts of firm contracts for the acquisition of real property, the improvement thereof, the construction of buildings and the acquisition of related personal property, plus an amount equal to 5 percent of such contracts plus an allocable share of the estimated indirect or overhead costs and expenses of the association, fairly attributable to such housing, will not exceed a sum equal to the product of the number of family units in such housing multiplied by \$10,000; (2) such housing will afford living accommodations for sale or rent to veterans at prospective prices or terms favorable in comparison with any like or similar living accommodations currently available in the locality; (3) the total number of units thereby provided will not be in excess of either the number of members of such association or the number of veterans in the community who may reasonably be considered, in the opinion of the Administrator, prospective purchasers of or tenants of such units.

"SALE OR RENTAL OF HOUSING OR REAL PROPERTY"

"(k) (1) Subject to such exceptions as the Administrator may approve, all real property of an association shall be sold or leased for such prices or at such rents, as the case may be, as shall reasonably represent the actual cost thereof to the association, including (i) all costs of acquisition, construction, or improvement; (ii) interest on and amortization of obligations of the association fairly attributable to such housing; (iii) direct costs of operation and maintenance of such housing; and (iv) an allocable share of the overhead or indirect costs and expenses of the association fairly attributable to such housing, plus a reasonable contribution to the reserves to be built up and maintained under subsection (h) hereof, nor shall any sale by an association of a commercial unit, or of a dwelling unit other than the sale of a cooperative interest in a multiunit structure, be financed by an association.

"(2) Any deed or other instrument made by an association for the sale of its housing shall provide that such property shall not be conveyed or otherwise disposed of by the purchaser voluntarily within 3 years from the date of acquisition of such housing by such purchaser unless it shall first have been offered for sale back to the association at the original price paid to such association by such purchaser, less any depreciation which shall have occurred by that time and plus the fair value of any improvements which such purchaser shall have made to such property: *Provided*, That no association may use the property as security for additional loans after deed has been delivered to a veteran, even though the association retains an interest in the property.

"(3) As a condition to every sale of housing by an association to a veteran, such veteran shall furnish to such association an affidavit stating that he has not theretofore purchased any housing from any association which has not been offered for sale back to the association and he does not own any housing acquired from any association chartered under this title.

"(4) As a condition of every sale by an association to a veteran, such association shall furnish to such veteran an affidavit stating that no other veteran has purchased the property and if the property has been repurchased from a veteran by the association, the association will guarantee the title as free and clear of encumbrances, except those to be assumed by the new purchaser.

"(5) Every lease made by an association shall contain a prohibition against subleasing without the consent of the association.

"LOANS BY ADMINISTRATOR TO ASSOCIATIONS"

"(1) The Administrator is authorized in his discretion to make either short-term or long-term loans to any association, upon either a secured or unsecured basis, for any of the purposes authorized by this section for which funds may be required by such association, including initial working capital and development expenses preliminary to the commencement of actual construction of housing. Advances made on a short-term basis may be refunded on a long-term basis, or may be repaid upon such terms and conditions as the Administrator may prescribe.

"(1) The interest rate charged to an association on any such borrowings shall not exceed such rate as may be fixed by the Administrator with the approval of the Secretary of the Treasury: *Provided*, That an association may obtain funds for its purposes by borrowings from private lending sources on such terms with respect to rates of interest, maturity, and other matters as it may agree upon.

"(2) Any loans so made by the Administrator, except as to advances made for interim or temporary purposes, shall be repaid—

"(i) within a period of 40 years, if the proceeds of such loans are employed by the association to acquire or improve, and to operate and maintain, multiunit structures to be rented;

"(ii) within a period of 32 years, if the proceeds of such loan are employed by the association to construct or to purchase, and to operate and maintain, multiunit structures sold or held on a mutual or cooperative basis;

"*Provided*, That cash receipts incoming to an association by reason of the sale of any other housing shall be transferred or paid to the Administrator for credit upon the obligations of the association to the Administrator. Each association to which any such loan may be made shall make, issue, and deliver to the Administrator, its note in the principal amount of such loan. Each such note shall be a nonnegotiable, unconditional obligation of the association, issued against its general credit, and payable from its general assets.

"TAX EXEMPTIONS"

"(m) Notwithstanding any provisions of the Internal Revenue Code or any other law to the contrary, the net earnings of any association shall be exempted from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or other local taxing authority.

"(n) Subject to the provisions of subsection (m) hereof, no State, county, municipal, or other local taxing authority shall impose any tax upon any such association or its charter and franchise, capital, reserves, property, surplus, loans, or income, greater than that imposed by such taxing authority on other similar local nonprofit associations.

"FUNDS OF ASSOCIATION"

"(o) The funds of an association may, as provided by its bylaws and in accordance with rules and procedures issued by the Administrator, be deposited in any bank or banks. No association shall invest its funds in any securities except obligations of the United States of America, or obligations unconditionally guaranteed by the United States as to the payment of both principal

and interest, or obligations of a State, and, in any event no such investment shall be made except with the approval of the Administrator or pursuant to rules and regulations issued by him.

"DISTRIBUTION OF EARNINGS"

"(p) At the end of any fiscal year any net earnings remaining to an association, after fully providing for the payment of all debts and obligations of such association, then due, and after providing for the reserves then currently required, shall be set aside in a special account to be used (i) for the reduction by the association of its notes or other obligations then outstanding, or (ii) with the express approval of the Administrator, for any other lawful purpose of the association.

"DISSOLUTION OF ASSOCIATIONS"

"(q) (1) If the members or directors of any association shall knowingly violate, or knowingly permit any of the officers, agents, or servants of such association to violate any of the provisions of this section or of the rules or regulations issued thereunder, the charter, and all the rights, privileges, and franchises of such association shall be forfeited. Such violation shall, however, be determined and adjudged by a proper district court of the United States in a suit brought for the purposes by the Administrator, in his own name, before such association shall be declared dissolved.

"(2) Any association may, at any time, apply to the Administrator for its voluntary dissolution, and if, in his judgment, adequate provision shall have been made for the payment in full of all debts and obligations of such association, he shall promptly effect such dissolution.

"(3) Upon any dissolution, whether voluntary or involuntary, the net assets of an association, remaining after payment in full of all its debts and obligations, shall be liquidated under the supervision of the Administrator and the proceeds thereof shall be covered into the United States Treasury as miscellaneous receipts.

"(r) In any event upon the maturity of all obligations owing to the United States for the financing of properties held for rent under this section, such properties shall be transferred and conveyed to the Administrator of Veterans' Affairs who shall dispose of them for the benefit of the United States and, after payment from the proceeds thereof of any other obligations of the association which it may be proper to so pay, shall cover the remaining proceeds into the Treasury of the United States as miscellaneous receipts.

"(s) The power of the Administrator to issue rules and regulations for the effective implementation and administration of this section, pursuant to the provisions hereof, and not in conflict herewith, shall include, but not by way of limitation, the power—

"(1) to provide such supervision of associations as he may deem necessary for the proper administration of this section;

"(2) to provide for the reorganization, consolidation, merger, or liquidation of any association or associations;

"(3) to appoint a conservator or a receiver to take charge of the affairs of any such association, and to require an equitable readjustment of the assets, liabilities, and surplus of the same; and to release any such association from such control and permit its further operation: *Provided*, That in any case where the Administrator appoints a conservator or a receiver for any association, such conservator or receiver shall act primarily for the protection of the creditors of such association;

"(4) to delegate and authorize successive redelegation of any authority conferred upon him by or pursuant to this section, to any official or employee of the Veterans' Administration. The Administrator shall not act through, or delegate any such authority to, any other agency or any official or employee thereof.

"CRIMINAL PROVISIONS"

"(x) (1) Whoever, being connected in any capacity with an association (i) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it; or (ii) with intent to defraud an association, or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Veterans' Administration or of an association, makes any false entry in any book, report, or statement of or to the Veterans' Administration or an association, or, without being duly authorized, draws any order or issues, puts forth, or assigns any bond, note, or other obligation, or draft, mortgage, judgment, or decree thereof, shall be guilty of a felony and punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

"(2) Any veteran who willfully and knowingly makes any false statement in the affidavit required by section 511 (1) (3) to be furnished by him to an association in connection with his purchase of housing from such association shall be guilty of a felony and punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

"MATURITY OF GUARANTEED OR INSURED LOANS"

"(u) Notwithstanding the 25-year limitation set forth in 500 (b) of this title, any loan made to a veteran for the purpose of purchasing a home from an association may have a maximum maturity not in excess of 32 years.

"TIME LIMITATION"

"(v) The authority of the Administrator to issue charters to associations and to make loans to associations hereunder shall expire July 25, 1957.

"ADVISORY COUNCIL"

"(w) There is hereby authorized to be established an advisory council to aid and advise the Administrator in the execution of his duties in relation to veterans' homestead associations. The council shall consist of the Administrator of Veterans' Affairs, who shall be Chairman; the Secretary of Agriculture; the Administrator of the Housing and Home Finance Agency; the Administrator of the Federal Works Agency; and six representatives of the public to be appointed by the Administrator of Veterans' Affairs, who shall be recognized leaders in the fields of finance, real estate, business administration, construction, labor, and housing. The members of the council shall not receive any compensation for their services on the council, but the Administrator of Veterans' Affairs is authorized to provide that the members receive a reasonable per diem allowance for each day of actual service, and in addition thereto be reimbursed for their necessary traveling expenses while on the business of the council.

"GRANTS FOR PUBLIC FACILITIES ESSENTIAL TO VETERANS' HOUSING"

"SEC. 512. (a) The Federal Works Administrator is hereby authorized to make grants to States, political subdivisions thereof, other public bodies, and to associations for the construction, repair, improvement, or extension of public facilities wherever the Administration of Veterans' Affairs shall find that such public facilities are necessary for or will facilitate the more effective use within the community of housing provided and to be provided for veterans under section 511 hereof.

"AMOUNT OF GRANT"

"(b) The amount of any grant made hereunder shall not exceed 50 percent of the cost, as determined by the Federal Works Administrator, of the public facilities provided therewith.

"GENERAL CONDITIONS OF GRANT"

"(c) No grant shall be made hereunder unless—

"(1) the public facilities for which such grant is made shall be determined by the Federal Works Administrator to conform to any applicable over-all State, local, or regional development plan approved by competent State, local, or regional authority; and

"(2) the public body or association to which such grant is made shall give assurance, satisfactory to the Federal Works Administrator, that (i) it will adequately maintain the public facilities for which such grant is made; (ii) the assessments or other charges which would otherwise be imposed for the provision of such public facilities will be reduced by an amount equal to the grant; and (iii) in the case of a public body, it will make available, for the housing for which such public facilities are provided, all other public facilities it then provides for other housing generally, and upon like terms and conditions.

"SPECIAL CONDITIONS OF GRANTS TO ASSOCIATIONS"

"(d) No grant shall be made hereunder to any associations unless (in addition to the conditions specified in subsection 512 (c) here)—

"(1) the Federal Works Administrator shall determine that the type of public facilities for which such grant is made are, under applicable local law or practice, customarily provided in the first instance by real estate developers or builders; and

"(2) such association shall agree to transfer such public facilities after completion, without compensation, to an appropriate local public body, if and whenever any such local public body may be willing to dedicate such public facilities to public use and to maintain them under the conditions specified in subsection 512 (c) hereof.

"DELEGATION OF AUTHORITY"

"(e) The Federal Works Administrator may delegate and authorize successive re-delegation of any authority conferred upon him by or pursuant to this chapter to any official or employee of the Federal Works Agency.

"PROVISION OF FUNDS"

"SEC. 513. In order to carry out the provisions of this title there is hereby authorized to be appropriated the sum of \$50,000,000 for the purposes of section 512 and the sum of \$250,000,000 for the purposes of section 511."

"TITLE IV—FARM HOUSING"

"FINANCIAL ASSISTANCE BY THE SECRETARY OF AGRICULTURE"

"SEC. 401. (a) The Secretary of Agriculture (hereinafter referred to as the Secretary) is authorized, subject to the terms and conditions of this title, to extend financial assistance, through the Farmers Home Administration, to owners of farms in the United States and in the Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to enable them to construct, improve, alter, repair, or replace dwellings and other farm buildings on their farms to provide them, their tenants, lessees, sharecroppers, and laborers with decent, safe, and sanitary living conditions and adequate farm buildings as specified in this title.

"(b) For the purpose of this title the term 'farm' shall mean a parcel or parcels of land operated as a single unit which is used for the production of one or more agricultural commodities and which customarily produces or is capable of producing such commodities for sale and for home use of a gross annual value of not less than the equivalent of a gross annual value of \$400 in 1944, as determined by the Secretary. The Secretary shall promptly determine whether

any parcel or parcels of land constitute a farm for the purposes of this title whenever requested to do so by any interested Federal State, or local public agency, and his determination shall be conclusive.

"(c) In order to be eligible for the assistance authorized by paragraph (a), the applicant must show (1) that he is the owner of a farm which is without a decent, safe, and sanitary dwelling for himself and his family and necessary resident farm labor, or for the family of the operating tenant, lessee, or sharecropper, or without other farm buildings adequate for the type of farming in which he engages or desires to engage; (2) that he is without sufficient resources to provide the necessary housing and buildings on his own account; and (3) that he is unable to secure the credit necessary for such housing and buildings from other sources upon terms and conditions which he could reasonably be expected to fulfill.

"LOANS FOR HOUSING AND BUILDINGS ON ADEQUATE FARMS"

"SEC. 402. (a) If the Secretary determines that an applicant is eligible for assistance as provided in section 401 and that the applicant has the ability to repay in full the sum to be loaned, with interest, giving due consideration to the income and earning capacity of the applicant and his family from the farm and other sources, and the maintenance of a reasonable standard of living for the owner and the occupants of said farm, a loan may be made by the Secretary to said applicant for a period of not to exceed 33 years from the making of the loan with interest at a rate not to exceed 4 percent per annum on the unpaid balance of principal.

"(b) The instruments under which the loan is made and the security given shall—

"(1) provide for security upon the applicant's equity in the farm and such additional security or collateral, if any, as may be found necessary by the Secretary reasonably to assure repayment of the indebtedness;

"(2) provide for the repayment of principal and interest in accordance with schedules and repayment plans prescribed by the Secretary;

"(3) contain the agreement of the borrower that he will, at the request of the Secretary, proceed with diligence to refinance the balance of the indebtedness through cooperative or other responsible private credit sources whenever the Secretary determines, in the light of the borrower's circumstances, including his earning capacity and the income from the farm, that he is able to do so upon reasonable terms and conditions;

"(4) be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the loan with interest, protect the security, and assure that the farm will be maintained in repair and that waste and exhaustion of the farm will be prevented.

"LOANS FOR HOUSING AND BUILDINGS ON POTENTIALLY ADEQUATE FARMS"

"SEC. 403. If the Secretary determines (a) that, because of the inadequacy of the income of an eligible applicant from the farm to be improved and from other sources, said applicant may not reasonably be expected to make annual repayments of principal and interest in an amount sufficient to repay the loan in full within the period of time prescribed by the Secretary as authorized in this title; (b) that the income of the applicant may be sufficiently increased within a period of not to exceed 10 years by improvement or enlargement of the farm or an adjustment of the farm practices or methods; and (c) that the applicant has adopted and may reasonably be expected to put into effect a plan of farm improvement, enlargement, or adjusted practices which, in the opinion

of the Secretary, will increase the applicant's income from said farm within a period of not to exceed 10 years to the extent that the applicant may be expected thereafter to make annual repayments of principal and interest sufficient to repay the balance of the indebtedness less payments in cash and credits for the contributions to be made by the Secretary as hereinafter provided, the Secretary may make a loan in an amount necessary to provide adequate farm dwellings and buildings on said farm under the terms and conditions prescribed in section 402.

"OTHER SPECIAL LOANS FOR MINOR IMPROVEMENTS TO FARM HOUSING AND BUILDINGS

"SEC. 404. In the event the Secretary determines that an eligible applicant cannot qualify for a loan under the provisions of sections 402 and 403 and that repairs or improvements should be made to a farm dwelling occupied by him in order to make such dwelling safe and sanitary and remove hazards to the health of the occupant, his family, or the community, and that repairs should be made to farm buildings in order to remove hazards and make such buildings safe, the Secretary may make a loan to the applicant to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making other similar repairs or improvements. No loan shall be made to any one individual under the provisions of this section in excess of \$1,000 for any one farm or dwelling or building owned by such individual, or in excess of \$2,000 in the aggregate to any one such individual. Such loan shall be secured and be repayable in accordance with the principles and conditions set forth in this title. In the case of such loan with respect to a farm not occupied by the owner of the land, the Secretary may, as a condition precedent to the loan, require that the landowner enter into such stipulations and agreements with the Secretary and the occupants of the farm as will make it possible for the occupant to obtain the full benefits of the loan.

"TECHNICAL SERVICES AND RESEARCH

"SEC. 405. (a) In connection with financial assistance authorized in sections 401 to 404, inclusive, the Secretary shall require that all new buildings and repairs financed under this title shall be substantially constructed and in accordance with such building plans and specifications as may be required by the Secretary. Buildings and repairs constructed with funds advanced pursuant to this title shall be supervised and inspected, as may be required by the Secretary, by competent employees of the Secretary. In addition to the financial assistance authorized in sections 401 to 404, inclusive, the Secretary is authorized to furnish, through such agencies as he may determine, to any person, including a person eligible for financial assistance under this title, without charge or at such charges as the Secretary may determine, technical services, such as building plans, specifications, construction supervision and inspection, and advice and information regarding farm dwellings and other buildings. The Secretary is further authorized to conduct research and technical studies, including the development, demonstration, and promotion of construction of adequate farm dwellings and other buildings for the purposes of stimulating construction, improving the architectural design and utility of such dwellings and buildings, utilizing new and native materials, economies in materials and construction methods, new methods of production, distribution, assembly, and construction, with a view to reducing the cost of farm dwellings and buildings and adapting and developing fixtures and appurtenances for more efficient and economical farm use.

"(b) The Secretary of Agriculture shall prepare and submit to the President and to the Congress estimates of national farm housing needs and reports with respect to the progress being made toward meeting such needs, and correlate and recommend proposals for such executive action or legislation necessary or desirable for the furtherance of the national housing objective and policy established by this act with respect to farm housing, together with such other reports or information as may be required of the Secretary by the President or the Congress.

"PREFERENCES FOR VETERANS AND FAMILIES OF DECEASED SERVICEMEN

"SEC. 406. As between eligible applicants seeking assistance under this title, the Secretary shall give preference to veterans and the families of deceased servicemen. As used herein, a 'veteran' shall be a person who served in the land or naval forces of the United States during any war between the United States and any other nation and who shall have been discharged or released therefrom on conditions other than dishonorable. 'Deceased servicemen' shall mean men or women who served in the land or naval forces of the United States during any war between the United States and any other nation and who died in service before the termination of such war.

"LOCAL COMMITTEES TO ASSIST SECRETARY

"SEC. 407. (a) For the purposes of this subsection and subsection (b) of this section, the Secretary may use the services of any existing committee of farmers operating (pursuant to laws or regulations carried out by the Department of Agriculture) in any county or parish in which activities are carried on under this title. In any county or parish in which activities are carried on under this title and in which no existing satisfactory committee is available, the Secretary is authorized to appoint a committee composed of three persons residing in the county or parish. Each member of such existing or newly appointed committee shall be allowed compensation at the rate of \$5 per day while engaged in the performance of duties under this title, and, in addition, shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses. One member of the committee shall be designated by the Secretary as chairman. The Secretary shall prescribe rules governing the procedures of the committees, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistance as he deems may be required by any committee.

"(b) The committees utilized or appointed pursuant to this section shall examine applications of persons desiring to obtain the benefits of this title and shall submit recommendations to the Secretary with respect to each applicant as to whether the applicant is eligible to receive the benefits of this title, whether by reason of his character, ability, and experience, he is likely successfully to carry out undertakings required of him under a loan under this title, and whether the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the making of the loan requested will carry out the purposes of this title. The committees shall also certify to the Secretary their opinions of the reasonable values of the farms. The committees shall, in addition, perform such other duties under this title as the Secretary may require.

"GENERAL POWERS OF SECRETARY

"SEC. 408. (a) The Secretary, for the purposes of this title, shall have the power to determine and prescribe the standards of adequate farm housing and other buildings, by farms or localities, taking into considera-

tion, among other factors, the type of housing which will provide decent, safe, and sanitary dwelling for the needs of the family using the housing, the type and character of the farming operations to be conducted, and the size and earning capacity of the land.

"(b) The Secretary may require any recipient of a loan to agree that the availability of improvements constructed or repaired with the proceeds of the loan under this title shall not be a justification for directly or indirectly changing the terms or conditions of the lease or occupancy agreement with the occupants of such farms to the latter's disadvantage without the approval of the Secretary.

"ADMINISTRATIVE PROVISIONS

"SEC. 409. In carrying out the provisions of this title, the Secretary shall have the power to—

"(a) make contracts for services and supplies without regard to the provisions of section 3709 of the Revised Statutes, as amended, when the aggregate amount involved is less than \$300;

"(b) enter into subordination, subrogation, or other agreements satisfactory to the Secretary;

"(c) compromise claims and obligations arising out of sections 402 to 404, inclusive, of this title and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into as circumstances may require, including the release from personal liability, without payments of further consideration, of—

"(1) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume the outstanding indebtedness to the Secretary under this title; and

"(2) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume that portion of the outstanding indebtedness to the Secretary under this title which is equal to the earning capacity value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the Secretary determines that the original borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

"(d) collect all claims and obligations arising out of or under any mortgage, lease, contract, or agreement entered into pursuant to this title and, if in his judgment necessary and advisable, to pursue the same to final collection in any court having jurisdiction; *Provided*, That the prosecution and defense of all litigation under this title shall be conducted under the supervision of the Attorney General and the legal representation shall be by the United States attorneys for the district, respectively, in which such litigation may arise and by such other attorney or attorneys as may, under law, be designated by the Attorney General;

"(e) bid for and purchase at any foreclosure or other sale or otherwise to acquire the property pledged or mortgaged to secure a loan or other indebtedness owing under this title, to accept title to any property so purchased or acquired, to operate or lease such property for such period as may be necessary or advisable, to protect the interest of the United States therein and to sell or otherwise dispose of the property so purchased or acquired by such terms and for such considerations as the Secretary shall determine to be reasonable and to make loans as provided herein to provide adequate farm dwellings and buildings for the purchasers of such property;

"(f) utilize with respect to the indebtedness arising from loans and payments made

under this title, all the powers and authorities given to him under the act approved December 20, 1944, entitled 'An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes' (58 Stat. 836), as such act now provides or may hereafter be amended;

"(g) make such rules and regulations as he deems necessary to carry out the purposes of this title.

"LOANS

"SEC. 410. There is hereby authorized to be appropriated to the Secretary to make loans under this title \$25,000,000 on and after July 1, 1949, an additional \$50,000,000 on and after July 1, 1950, an additional \$75,000,000 on and after July 1, 1951, and an additional \$100,000,000 on and after July 1, 1952.

"TITLE V—HOUSING RESEARCH

"SEC. 501. Title III of Public Law 901, Eightieth Congress, approved August 10, 1948, is hereby amended to read as follows:

"SEC. 301. The Secretary of Commerce shall—

"(a) Undertake and conduct a program with respect to technical research and studies concerned with the development, demonstration, and promotion of the acceptance and application of new and improved techniques, materials, and methods which will permit progressive reductions in housing construction and maintenance costs, and stimulate the increased and sustained production of housing, and concerned with housing economics and other housing market data. Such program may be concerned with improved and standardized building codes and regulations and methods for the more uniform administration thereof, standardize dimensions and methods for the assembly of home-building materials and equipment, improved residential design and construction, new and improved types of housing components, building materials and equipment, and methods of production, distribution, assembly, and construction, and sound techniques for the testing thereof and for the determination of adequate performance standards, and may relate to appraisal, credit, and other housing market data, housing needs, demand and supply, finance and investment, land costs, use and improvement, site planning and utilities, zoning and other laws, codes, and regulations as they apply to housing, other factors affecting the cost of housing, and related technical and economic research. Contracts may be made by the Secretary for technical research and studies authorized by this subsection for work to continue not more than 4 years from the date of any such contract. Notwithstanding the provisions of section 5 of the act of June 20, 1874, as amended (31 U. S. C. 713), any unexpended balances of appropriations properly obligated by contracting with an organization as provided in this subsection may remain upon the books of the Treasury for not more than five fiscal years before being carried to the surplus fund and covered into the Treasury. All contracts made by the Secretary for technical research and studies authorized by this or any other act shall contain requirements making the results of such research or studies available to the public through dedication, assignment to the Government, or such other means as the Secretary shall determine. The Secretary shall disseminate the results of such research and studies in such form as may be most useful to industry and to the general public.

"(b) Prepare and submit to the President and to the Congress estimates of national urban and rural nonfarm housing needs and reports with respect to the progress being made toward meeting such needs, and correlate and recommend proposals for such executive action or legislation as may be necessary or desirable for the furtherance of

the national housing objective and policy established by this act, with respect to urban and rural nonfarm housing, together with such other reports or information as may be required of the Secretary by the President or the Congress.

"(c) Encourage localities to make studies of their own housing needs and markets, along with surveys and plans for housing, urban land use and related community development, and provide, where requested and needed by the localities, technical advice and guidance in the making of such studies, surveys, and plans. To facilitate the cooperation of Federal agencies in carrying out such studies or surveys, such Federal agencies are hereby authorized to accept funds and reimburse their appropriation for the cost of such studies or surveys.

"SEC. 302. In carrying out research and studies under this title, the Secretary shall utilize, to the fullest extent feasible, the available facilities of other departments, independent establishments, and agencies of the Federal Government, and shall consult with, and make recommendations to, such departments, independent establishments, and agencies with respect to such action as may be necessary and desirable to overcome existing gaps and deficiencies in available housing data or in the facilities available for the collection of such data. The Secretary is further authorized, for the purposes of this title, to undertake research and studies cooperatively with industry and labor, and with agencies of State or local governments, and educational institutions and other nonprofit organizations. For the purpose of entering into contracts with any State or local public agency or instrumentality, or educational institution or other nonprofit agency or organization, in carrying out any research or studies authorized by this title, the Secretary may exercise any of the powers vested in the Housing and Home Finance Administrator by section 502 (c) of the Housing Act of 1948.

"SEC. 303. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

"TITLE VI—AMENDMENTS TO NATIONAL HOUSING ACT

"SEC. 601. The National Housing Act, as amended, is hereby amended—

"(1) by striking out of the first sentence of section 2 (a) 'July 1, 1949' and inserting in lieu thereof 'September 1, 1949';

"(2) by striking out of the proviso in section 203 (a) '\$4,000,000,000' and inserting in lieu thereof '\$5,300,000,000' and by striking out of such proviso '\$5,000,000,000' and inserting in lieu thereof '\$5,500,000,000'; and

"(3) by striking out of the second proviso in section 603 (a) 'June 30, 1949' in each place where it appears therein and inserting in lieu thereof 'August 31, 1949.'"

Amend the title so as to read: "A bill to provide for the expenditure of Federal funds to assist slum-clearance projects initiated by local agencies, to assist veterans in building homes, to enable the Secretary of Agriculture to provide financial assistance for farm housing, for housing research, and for other purposes."

Mr. HALLECK. Mr. Speaker, the motion to recommit is rather lengthy. It is 72 pages. I have discussed the matter with some of the Members on the other side, and in view of that I ask unanimous consent that in lieu of the reading of the motion to recommit, the gentleman from Michigan [Mr. Wolcott], may be permitted to address the House for 4 minutes to explain the provisions of the motion.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. SPENCE. Reserving the right to object, Mr. Speaker, this is merely an explanation, without any argument?

Mr. HALLECK. That is correct.

Mr. SPENCE. And it will be limited to 4 minutes?

Mr. HALLECK. That is correct.

Mr. SPENCE. I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, if I make any argument or engage in any oratory, I hope the Chair will check me.

The SPEAKER. The Chair will watch the gentleman closely.

Mr. WOLCOTT. Mr. Speaker, the motion to recommit contains six titles.

Title I is slum clearance. In substance it provides \$1,000,000,000 of loans and \$500,000,000 in grants spread over a 5-year period. The principal difference between the provisions of the motion to recommit and the bill which we have been considering is that the plan must be submitted to the Congress and appropriations made through the usual channels before the program is completed, and it also provides for a demolition or for the repair and putting into sanitary and safe condition of a comparable number of units in slum areas as contained in the program.

Title II is the bill which we passed last year, known as the bill to dispose of the Lanham permanents. There are in the neighborhood of 331,381 of these Lanham permanents. I think we are all familiar with them. Title II is the provision which we passed last year in the House, but which did not pass the Senate, for the disposition of the Lanham permanents with very high veteran priority.

Title III is known as the veterans' homestead law, with which we are all familiar. It was reported out of the Committee on Veterans' Affairs last year, but did not pass the Senate. It provides for direct loans to veterans, and so forth, and sets up a fund of about \$300,000,000.

Title IV is the farm title. This is quite similar to the farm title of the bill H. R. 4009, which is now pending before us, except instead of raising the money by authorizing the Secretary of Agriculture to bypass the Congress and issue notes, bonds, and debentures likewise, as in title I—the slum-clearance title—the program must be presented to the Congress and appropriations will be made in the usual way for the program.

Title V is housing research, but instead of the research being conducted by the Administrator of the Housing and Home Finance Agency, it provides that the research be done by the Department of Commerce, believing that it had better be there than in those interested solely in this program.

Title VI includes an extension of Title I and title VI FHA financing which we adopted here as a committee amendment offered by the gentleman from Kentucky [Mr. SPENCE] on yesterday. It is identical with Senate Joint Resolution 109, which has passed the Senate, and is identical with the amendment which we adopted here yesterday continuing Title I and title VI of the FHA for 60 days.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kentucky.

Mr. SPENCE. The gentleman offers a motion to recommit in lieu of the present bill?

Mr. WOLCOTT. The motion to recommit strikes out all after the enacting clause and is a substitute for the committee bill.

Mr. SPENCE. It is a new bill.

Mr. WOLCOTT. It is.

Mr. SPENCE. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. WOLCOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 170, nays 241, answered "present" 2, not voting 19, as follows:

[Roll No. 119]

YEAS—170

Abernethy	Goodwin	Miller, Nebr.
Allen, Calif.	Gossett	Murray, Tenn.
Allen, Ill.	Graham	Murray, Wis.
Andersen,	Gross	Nelson
H. Carl	Gwinn	Nicholson
Anderson, Calif.	Hagen	Nixon
Andresen,	Hale	Norblad
August H.	Hall,	Norrell
Andrews	Edwin Arthur	O'Hara, Minn.
Angell	Hall,	Patterson
Arends	Leonard W.	Phillips, Calif.
Auchincloss	Halleck	Pickett
Barrett, Wyo.	Harden	Potter
Bates, Mass.	Hare	Poulson
Beall	Harrison	Rankin
Bennett, Mich.	Harvey	Reed, Ill.
Bishop	Herlong	Reed, N. Y.
Blackney	Herter	Rees
Boggs, Del.	Hill	Rich
Bolton, Md.	Hinshaw	Rogers, Mass.
Bramblett	Hobbs	Sadlak
Brehm	Hoeven	Sanborn
Brown, Ohio	Hoffman, Mich.	Scott
Bryson	Hope	Hugh D., Jr.
Burleson	Horan	Scrivner
Byrnes, Wis.	Jackson, Calif.	Scudder
Case, S. Dak.	James	Shafer
Chelf	Jenison	Short
Chiperfield	Jenkins	Simpson, Ill.
Church	Jennings	Simpson, Pa.
Clevenger	Jensen	Smith, Kans.
Cole, Kans.	Johnson	Smith, Va.
Cole, N. Y.	Judd	Smith, Wis.
Colmer	Kearney	Stanley
Corbett	Keefe	Stefan
Cotton	Kilburn	Tackett
Coudert	Kruse	Talle
Cox	Kunkel	Thomas, Tex.
Cunningham	Larcade	Towe
Curtis	Latham	Van Zandt
Dague	LeCompte	Velde
Davis, Ga.	LeFevre	Vorys
Davis, Wis.	Lemke	Vursell
D'Ewart	Lichtenwalter	Wadsworth
Dolliver	Lovre	Weichel
Dondero	Lucas	Werdel
Eaton	McConnell	Whitten
Elston	McCulloch	Whittington
Fallon	McDonough	Wickersham
Fellows	McGregor	Wigglesworth
Fenton	McMillan, S. C.	Williams
Fisher	Mack, Wash.	Wilson, Ind.
Ford	Macy	Wilson, Tex.
Gamble	Martin, Iowa	Winstead
Gary	Martin, Mass.	Wolcott
Gathings	Mason	Wood
Gavin	Merrrow	Woodruff
Gillette	Meyer	
Golden	Miller, Md.	

NAYS—241

Addonizio	Bates, Ky.	Boggs, La.
Albert	Battle	Bolling
Allen, La.	Beckworth	Bolton, Ohio
Aspinall	Bennett, Fla.	Bonner
Bailey	Bentsen	Bosone
Barden	Biemiller	Breen
Baring	Bland	Brooks
Barrett, Pa.	Blatnik	Brown, Ga.

Buchanan	Hays, Ohio	O'Toole
Buckley, Ill.	Hébert	Pace
Buckley, N. Y.	Hedrick	Passman
Burdick	Heffernan	Patman
Burke	Heller	Patten
Burnside	Heseltun	Perkins
Burton	Hoffman, Ill.	Pfeiffer,
Byrne, N. Y.	Hollifield	William L.
Camp	Holmes	Philbin
Canfield	Howell	Phillips, Tenn.
Cannon	Huber	Poage
Carlyle	Hull	Polk
Carnahan	Irving	Powell
Carroll	Jackson, Wash.	Preston
Case, N. J.	Jacobs	Price
Cavalcante	Javits	Priest
Celler	Jonas	Quinn
Chesney	Jones, Ala.	Rabaut
Christopher	Jones, Mo.	Rains
Chudoff	Jones, N. C.	Ramsay
Clemente	Karst	Redden
Combs	Karsten	Regan
Cooley	Kean	Rhodes
Cooper	Keating	Ribicoff
Crawford	Kelley	Richards
Crook	Kennedy	Riehlman
Crosser	Keogh	Rivers
Davenport	Kerr	Rodino
Davies, N. Y.	King	Rogers, Fla.
Davis, Tenn.	Kirwan	Roosevelt
Dawson	Klein	Sabath
Deane	Lane	Sadowski
DeGraffenried	Lanham	Sasser
Delaney	Lesinski	Scott, Hardie
Denton	Lind	Secrest
Dingell	Linehan	Sheppard
Dollinger	Lodge	Sikes
Donohue	Lyle	Sims
Doughton	Lynch	Smathers
Douglas	McCarthy	Smith, Ohio
Doyle	McCormack	Spence
Durham	McGuire	Steed
Eberhart	McKinnon	Stigler
Elliot	McSweeney	Stockman
Ellsworth	Mack, Ill.	Sullivan
Engel, Mich.	Madden	Sutton
Engle, Calif.	Magee	Tauriello
Evins	Mahon	Thompson
Feighan	Mansfield	Thornberry
Fernandez	Marcantonio	Tollefson
Flood	Marsalis	Trimble
Fogarty	Marshall	Underwood
Forand	Michener	Vinson
Frazier	Mills	Wagner
Furcolo	Miller, Calif.	Walsh
Garmatz	Mills	Walter
Gordon	Mitchell	Welch, Calif.
Gore	Monroney	Welch, Mo.
Gorski, Ill.	Morgan	Wheeler
Gorski, N. Y.	Morris	White, Calif.
Granahan	Moulder	White, Idaho
Granger	Mulder	Wier
Grant	Murdoch	Willis
Green	Murphy	Wilson, Okla.
Gregory	Noland	Withrow
Hand	Norton	Wolverton
Hardy	O'Brien, Ill.	Woodhouse
Harris	O'Brien, Mich.	Worley
Hart	O'Hara, Ill.	Yates
Havenner	O'Konski	Young
Hays, Ark.	O'Neill	Zablocki
	O'Sullivan	

ANSWERED "PRESENT"—2

Abbitt Morton

NOT VOTING—19

Boykin	McMillen, Ill.	St. George
Bulwinkle	Morrison	Staggers
Chatham	Peterson	Taber
Gilmer	Pfeiffer,	Teague
Kearns	Joseph L.	Thomas, N. J.
Kee	Plumley	Whitaker
Kilday	Rooney	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Kilday for, with Mr. Rooney against.
Mr. McMillen of Illinois for, with Mrs. St. George against.

Mr. Plumley for, with Mr. Gilmer against.
Mr. Taber for, with Mr. Staggers against.
Mr. Thomas of New Jersey for, with Mr. Morton against.

Additional general pair:

Mr. Morrison with Mr. Kearns.

Mr. LARCADE changed his vote from "nay" to "yea."

Mr. WOLVERTON changed his vote from "yea" to "nay."

Mr. MORTON. Mr. Speaker, I voted "nay." I have a live pair with the gentleman from New Jersey, Mr. THOMAS. Were he present he would have voted "yea." I therefore withdraw my vote and request that I be recorded as "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The question is on the passage of the bill.

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 227, nays 186, answered "present" 1, not voting 18, as follows:

[Roll No. 100]

YEAS—227

Addonizio	Forand	Marshall
Albert	Ford	Miles
Allen, La.	Frazier	Miller, Calif.
Angell	Fugate	Mills
Aspinall	Fulton	Mitchell
Bailey	Furcolo	Monroney
Baring	Garmatz	Morgan
Barrett, Pa.	Gordon	Morris
Bates, Ky.	Gore	Morton
Battle	Gorski, Ill.	Moulder
Beckworth	Gorski, N. Y.	Multer
Bennett, Fla.	Granahan	Murdock
Bentsen	Granger	Murphy
Biemiller	Grant	Noland
Bland	Green	Norton
Blatnik	Gregory	O'Brien, Ill.
Boggs, La.	Hand	O'Brien, Mich.
Bolling	Hardy	O'Hara, Ill.
Bolton, Ohio	Hart	O'Konski
Bonner	Havenner	O'Neill
Bosone	Hays, Ark.	O'Sullivan
Breen	Hays, Ohio	O'Toole
Brooks	Hébert	Pace
Brown, Ga.	Hedrick	Patman
Buchanan	Heffernan	Perkins
Buckley, Ill.	Heller	Pfeiffer,
Buckley, N. Y.	Heseltun	William L.
Burdick	Hoffman, Ill.	Philbin
Burke	Hollifield	Phillips, Tenn.
Burnside	Holmes	Polk
Byrne, N. Y.	Howell	Powell
Camp	Huber	Preston
Canfield	Hull	Price
Carlyle	Irving	Priest
Carnahan	Jackson, Wash.	Quinn
Carroll	Jacobs	Rabaut
Case, N. J.	Javits	Rains
Cavalcante	Jonas	Ramsay
Celler	Jones, Ala.	Radden
Chesney	Jones, Mo.	Rhodes
Christopher	Judd	Ribicoff
Chudoff	Karst	Richards
Clemente	Karsten	Riehlman
Combs	Kean	Rivers
Cooley	Keating	Rodino
Cooper	Kelley	Rogers, Fla.
Corbett	Kennedy	Roosevelt
Coudert	Keogh	Sabath
Crook	Kerr	Sadlak
Crosser	King	Sadowski
Davenport	Kirwan	Sasser
Davies, N. Y.	Klein	Scott, Hardie
Davis, Tenn.	Lane	Secrest
Dawson	Lanham	Sheppard
Deane	Lesinski	Sims
DeGraffenried	Lind	Smathers
Delaney	Linehan	Spence
Denton	Lodge	Steed
Dingell	Lyle	Stigler
Dollinger	Lynch	Sullivan
Donohue	McCarthy	Tauriello
Douglas	McCormack	Taylor
Doyle	McGuire	Thompson
Eberhart	McKinnon	Thornberry
Elliot	McSweeney	Tollefson
Engel, Mich.	Mack, Ill.	Trimble
Engle, Calif.	Madden	Underwood
Evins	Magee	Van Zandt
Feighan	Mansfield	Vinson
Fernandez	Marcantonio	Wagner
Flood	Marsalis	Walsh
Fogarty		

Walter
Welch, Calif.
Welch, Mo.
White, Calif.

Wier
Wilson, Okla.
Withrow
Wolverton

Woodhouse
Yates
Young
Zablocki

NAYS—186

Abbott
Abernethy
Allen, Calif.
Allen, Ill.
Andersen,
H. Carl
Anderson, Calif.
Andersen,
August H.
Andrews
Arends
Auchincloss
Barden
Barrett, Wyo.
Bates, Mass.
Beall
Bennett, Mich.
Bishop
Blackney
Boggs, Del.
Bolton, Md.
Bramblett
Brehm
Brown, Ohio
Bryson
Burleson
Burton
Byrnes, Wis.
Case, S. Dak.
Chelf
Chipperfield
Church
Clevenger
Cole, Kans.
Cole, N. Y.
Colmer
Cotton
Cox
Crawford
Cunningham
Curtis
Dague
Davis, Ga.
Davis, Wis.
D'Ewart
Dolliver
Dondero
Doughton
Durham
Eaton
Ellsworth
Elston
Fallon
Fellows
Fenton
Fisher
Gamble
Gary
Gathings
Gavin
Gillette
Golden
Goodwin
Gossett

Graham
Gross
Gwin
Hagen
Hale
Hall
Edwin Arthur
Hall
Leonard W.
Halleck
Harden
Hare
Harris
Harrison
Harvey
Herlong
Herter
Hill
Hinshaw
Hobbs
Hoeven
Hoffman, Mich.
Hope
Horan
Jackson, Calif.
James
Jenlson
Jenkins
Jennings
Jensen
Johnson
Jones, N. C.
Kearney
Keefe
Kilburn
Krusse
Kunkel
Larcade
Latham
LeCompte
LeFevre
Lemke
Lichtenwalter
Lovre
Lucas
McConnell
McCulloch
McDonough
McGregor
McMillan, S. C.
Mack, Wash.
Macy
Mahon
Martin, Iowa
Martin, Mass.
Mason
Merrow
Meyer
Michener
Miller, Md.
Miller, Nebr.
Murray, Tenn.
Murray, Wis.
Nelson

Nicholson
Nixon
Norblad
Norrell
O'Hara, Minn.
Passman
Patten
Patterson
Phillips, Calif.
Pickett
Poage
Potter
Poulson
Rankin
Reed, Ill.
Reed, N. Y.
Rees
Regan
Rich
Rogers, Mass.
Sanborn
Scott
Hugh D., Jr.
Scrivner
Scudder
Shafer
Short
Sikes
Simpson, Ill.
Simpson, Pa.
Smith, Kans.
Smith, Ohio
Smith, Va.
Smith, Wis.
Stanley
Stefan
Stockman
Tackett
Talle
Teague
Thomas, Tex.
Towe
Velde
Vors
Vursell
Wadsworth
Welchel
Werdell
Wheeler
White, Idaho
Whitten
Whittington
Wickersham
Wigglesworth
Williams
Willis
Wilson, Ind.
Wilson, Tex.
Winstead
Wolcott
Wood
Woodruff
Worley

ANSWERED "PRESENT"—1

Cannon

NOT VOTING—18

Boykin
Bulwinkle
Chatham
Gilmer
Kearns
Kee
Kilday

McMillen, Ill.
Morrison
Peterson
Pfeifer
Joseph L.
Plumley
Rooney

St. George
Staggers
Taber
Thomas, N. J.
Whitaker

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney for, with Mr. Kilday against.
Mr. Cannon for, with Mr. Taber against.
Mrs. St. George for, with Mr. McMillen of Illinois against.
Mr. Joseph L. Pfeifer for, with Mr. Plumley against.
Mr. Morrison for, with Mr. Thomas of New Jersey against.

Additional general pair until further notice:

Mr. Gilmer with Mr. Kearns.

Mr. CANNON. Mr. Speaker, I have a live pair with the gentleman from New

York, Mr. TABER. If he were present he would have voted "nay." I voted "yea." I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CORRECTIONS OF TITLES AND SECTION NUMBERS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Clerk be directed to correct the titles and section numbers in conformity with the action of the House.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

HOUSING ACT OF 1949

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1070) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted, etc., That this act may be cited as the "Housing Act of 1949."

DECLARATION OF NATIONAL HOUSING POLICY

SEC. 2. The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation. The Congress further declares that such production is necessary to enable the housing industry to make its full contribution toward an economy of maximum employment, production, and purchasing power. The policy to be followed in attaining the national housing objective hereby established shall be: (1) Private enterprise shall be encouraged to serve as large a part of the total need as it can; (2) governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total need; (3) appropriate local public bodies shall be encouraged and assisted to undertake positive programs of encouraging and assisting the development of well-planned, integrated, residential neighborhoods, the development and redevelopment of communities, and the production, at lower costs, of housing of sound standards of design, construction, livability, and size for adequate family life; (4) governmental assistance to eliminate substandard and other inadequate housing through the clearance of slums and blighted areas, to facilitate community development and redevelopment, and

to provide adequate housing for urban and rural nonfarm families with incomes so low that they are not being decently housed in new or existing housing shall be extended to those localities which estimate their own needs and demonstrate that these needs are not being met through reliance solely upon private enterprise, and without such aid; and (5) governmental assistance for decent, safe, and sanitary farm dwellings and related facilities shall be extended where the farm owner demonstrates that he lacks sufficient resources to provide such housing on his own account and is unable to secure necessary credit for such housing from other sources on terms and conditions which he could reasonably be expected to fulfill. The Housing and Home Finance Agency and its constituent agencies, and any other departments or agencies of the Federal Government having powers, functions, or duties with respect to housing, shall exercise their powers, functions, and duties under this or any other law, consistently with the national housing policy declared by this act and in such manner as will facilitate sustained progress in attaining the national-housing objective hereby established, and in such manner as will encourage and assist (1) the production of housing of sound standards of design, construction, livability, and size for adequate family life; (2) the reduction of the costs of housing without sacrifice of such sound standards; (3) the use of new designs, materials, techniques, and methods in residential construction, the use of standardized dimensions and methods of assembly of home-building materials and equipment, and the increase of efficiency in residential construction and maintenance; (4) the development of well-planned, integrated, residential neighborhoods and the development and redevelopment of communities; and (5) the stabilization of the housing industry at a high annual volume of residential construction.

TITLE I—SLUM CLEARANCE AND COMMUNITY DEVELOPMENT AND REDEVELOPMENT

LOCAL RESPONSIBILITIES

SEC. 101. In extending financial assistance under this title, the Administrator shall—

(a) give consideration to the extent to which appropriate local public bodies have undertaken positive programs (1) for encouraging housing cost reductions through the adoption, improvement, and modernization of building and other local codes and regulations so as to permit the use of appropriate new materials, techniques, and methods in land and residential planning, design, and construction, the increase of efficiency in residential construction, and the elimination of restrictive practices which unnecessarily increase housing costs, and (2) for preventing the spread or recurrence, in such community, of slums and blighted areas through the adoption, improvement, and modernization of local codes and regulations relating to land use and adequate standards of health, sanitation, and safety for dwelling accommodations; and

(b) encourage the operations of such local public agencies as are established on a State, or regional (within a State), or unified metropolitan basis or as are established on such other basis as permits such agencies to contribute effectively toward the solution of community development or redevelopment problems on a State, or regional (within a State), or unified metropolitan basis.

LOANS

SEC. 102. (a) To assist local communities in eliminating their slums and blighted areas and in providing maximum opportunity for the redevelopment of project areas by private enterprise, the Administrator may make temporary and definitive loans to local public agencies for the undertaking of projects for the assembly, clearance, preparation, and sale

and lease of land for redevelopment. Such loans (outstanding at any one time) shall be in such amounts not exceeding the expenditures to be made by the local public agency as part of the gross project cost, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding, in the case of definitive loans, 40 years from the date of the bonds evidencing such loans), as may be deemed advisable by the Administrator.

(b) In connection with any project on land which is open or predominantly open, the Administrator may make temporary loans to municipalities or other public bodies for the provision of public buildings or facilities necessary to serve or support the new uses of land in the project area. Such temporary loans shall be in such amounts not exceeding the expenditures to be made for such purpose, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding 10 years from the date of the obligations evidencing such loans), as may be deemed advisable by the Administrator.

(c) Loans made pursuant to subsection (a) or (b) hereof may be made subject to the condition that, if at any time or times or for any period or periods during the life of the loan contract the local public agency can obtain loan funds from sources other than the Federal Government at interest rates lower than provided in the loan contract, it may do so with the consent of the Administrator at such times and for such periods without waiving or surrendering any rights to loan funds under the contract for the remainder of the life of such contract, and, in any such case, the Administrator is authorized to consent to a pledge by the local public agency of the loan contract, and any or all of its rights thereunder, as security for the repayment of the loan funds so obtained from other sources.

(d) The Administrator may make advances of funds to local public agencies for surveys and plans in preparation of projects which may be assisted under this title, and the contracts for such advances of funds may be made upon the condition that such advances of funds shall be repaid, with interest at not less than the applicable going Federal rate, out of any moneys which become available to such agency for the undertaking of the project or projects involved.

(e) To obtain funds for loans under this title, the Administrator, on and after July 1, 1949, may, with the approval of the President, issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury in an amount not to exceed \$25,000,000, which limit on such outstanding amount shall be increased by \$25,000,000 on July 1, 1950, and by further amounts of \$250,000,000 on July 1 in each of the years 1951, 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed \$1,000,000,000) such limit, and any such authorized increase therein, may be increased, at any time or times, by additional amounts aggregating not more than \$250,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon the conditions in the building industry and upon the national economy, that such action is in the public interest.

(f) Notes or other obligations issued by the Administrator under this title shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obliga-

tions of the United States as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Administrator issued under this title and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(g) Obligations, including interest thereon, issued by local public agencies for projects assisted pursuant to this title, and income derived by such agencies from such projects, shall be exempt from all taxation now or hereafter imposed by the United States.

CAPITAL GRANTS

SEC. 103. (a) The Administrator may make capital grants to local public agencies to enable such agencies to make land in project areas available for redevelopment at its fair value for the uses specified in the redevelopment plans: *Provided*, That the Administrator shall not make any contract for capital grant with respect to a project which consists of open unplatted urban or suburban land. The aggregate of such capital grants with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title shall not exceed two-thirds of the aggregate of the net project costs of such projects, and the capital grants with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project.

(b) The Administrator, on and after July 1, 1949, may, with the approval of the President, contract to make capital grants, with respect to projects assisted under this title, aggregating not to exceed \$100,000,000, which limit shall be increased by further amounts of \$100,000,000 on July 1 in each of the years 1950, 1951, 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed \$500,000,000) such limit, and any such authorized increase therein, may be increased, at any time or times, by additional amounts aggregating not more than \$100,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon the conditions in the building industry and upon the national economy, that such action is in the public interest. The faith of the United States is solemnly pledged to the payment of all capital grants contracted for under this title, and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.

REQUIREMENTS FOR LOCAL GRANTS-IN-AID

SEC. 104. Every contract for capital grant under this title shall require local grants-in-aid in connection with the project involved which, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency on which contracts for capital grants have theretofore been made, will be at least equal to one-third of the aggregate net project costs involved (it being the purpose of this provision and section 103 to limit the aggregate of the capital grants made by the Administrator with respect to all the projects of a local

public agency on which contracts for capital grants have been made under this title to an amount not exceeding two-thirds of the difference between the aggregate of the gross project costs of all such projects and the aggregate of the total sales prices and capital values referred to in section 110 (f) of land in such projects).

LOCAL DETERMINATIONS

SEC. 105. Contracts for financial aid shall be made only with a duly authorized local public agency and shall require that—

(a) The redevelopment plan for the project area be approved by the governing body of the locality in which the project is situated, and that such approval include findings by the governing body that (i) the financial aid to be provided in the contract is necessary to enable the land in the project area to be redeveloped in accordance with the redevelopment plan; (ii) the redevelopment plans for the redevelopment areas in the locality will afford maximum opportunity, consistent with the sound needs of the locality as a whole, for the redevelopment of such areas by private enterprise; and (iii) the redevelopment plan conforms to a general plan for the development of the locality as a whole;

(b) When land acquired or held by the local public agency in connection with the project is sold or leased, the purchasers or lessees shall be obligated (i) to devote such land to the uses specified in the redevelopment plan for the project area; (ii) to begin the building of their improvements on such land within a reasonable time; and (iii) to comply with such other conditions as the Administrator finds, prior to the execution of the contract for loan or capital grant pursuant to this title, are necessary to carry out the purposes of this title;

(c) There be a feasible method for the temporary relocation of families displaced from the project area, and that there are or are being provided, in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced from the project area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and reasonably accessible to their places of employment: *Provided*, That in view of the existing acute housing shortage, each such contract entered into prior to July 1, 1951, shall further provide that there shall be no demolition of residential structures in connection with the project assisted under the contract prior to July 1, 1951, if the local governing body determines that the demolition thereof would reasonably be expected to create undue housing hardship in the locality.

(d) No land for any project to be assisted under this title shall be acquired by the local public agency except after public hearing following notice of the date, time, place, and purpose of such hearing published not less than 10 nor more than 20 days prior to the date of such hearing.

GENERAL PROVISIONS

SEC. 106. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, shall—

(1) appoint a Director to administer the provisions of this title under the direction and supervision of the Administrator and the basic rate of compensation of such position shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency;

(2) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act, as amended;

(3) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided*, That such financial transactions of the Administrator as the making of advances of funds, loans, or capital grants and vouchers approved by the Administrator in connection with such financial transactions shall be final and conclusive upon all officers of the Government; and

(4) make an annual report to the President, for transmission to the Congress, to be submitted as soon as practicable following the close of the year for which such report is made.

(b) Funds made available to the Administrator pursuant to the provisions of this title shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Administrator in connection with the performance of his functions under this title shall be available for any of the purposes of this title (except for capital grants pursuant to section 103 hereof), and all funds available for carrying out the functions of the Administrator under this title (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Administrator in connection with the performance of such functions.

(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, may—

(1) sue and be sued;

(2) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project or part thereof in connection with which he has made a loan or capital grant pursuant to this title. In the event of any such acquisition, the Administrator may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, dispose of, and otherwise deal with, such project or part thereof: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(3) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned, and such sums shall approximate the taxes which would be paid upon such property to the State or local taxing authority, as the case may be, if such property were not exempt from taxation;

(4) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(5) obtain insurance against loss in connection with property and other assets held;

(6) subject to the specific limitations in this title, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, amount of capital grant, or any other term, of any contract or agreement to which he is a party or which has been transferred to him pursuant to this title; and

(7) include in any contract or instrument made pursuant to this title such other cov-

enants, conditions, or provisions (including such covenants, conditions, or provisions as, in the determination of the Administrator, are necessary or desirable to prevent the payment of excessive prices for the acquisition of land in connection with projects assisted under this title) as he may deem necessary to assure that the purposes of this title will be achieved. No provision of this title shall be construed or administered to permit speculation in land holding.

(d) Section 3709, as amended, of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this title if the amount of such contract does not exceed \$1,000.

(e) Not more than 10 percent of the funds provided for in this title, either in the form of loans or grants, shall be expended in any one State.

PAYMENT FOR LAND USED FOR LOW-RENT PUBLIC HOUSING

SEC. 107. If the land for a low-rent housing project assisted under the United States Housing Act of 1937, as amended, is made available from a project assisted under this title, payment equal to the fair value of the land for the uses specified in accordance with the redevelopment plan shall be made therefor by the public-housing agency undertaking the housing project, and such amount shall be included as part of the development cost of the low-rent housing project.

SURPLUS FEDERAL REAL PROPERTY

SEC. 108. The President may at any time in his discretion, transfer, or cause to be transferred, to the Administrator any right, title, or interest held by the Federal Government or any department or agency thereof in any land (including buildings thereon) which is surplus to the needs of the Government and which a local public agency certifies will be within the area of a project being planned by it. When such land is sold to the local public agency by the Administrator, it shall be sold at a price equal to its fair market value, and the proceeds from such sale shall be covered into the Treasury as miscellaneous receipts.

PROTECTION OF LABOR STANDARDS

SEC. 109. In order to protect labor standards—

(a) Any contract for financial aid pursuant to this title shall contain a provision requiring that not less than the wages or fees prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Administrator, shall be paid to all architects, technical engineers, draftsmen, technicians, laborers, and mechanics employed in the development of the project involved; and the Administrator may require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract;

(b) The provisions of title 18, U. S. C., section 874, and of title 40, U. S. C., section 276c, shall apply to any project financed in whole or in part with funds made available pursuant to this title;

(c) Any contractor engaged on any project financed in whole or in part with funds made available pursuant to this title shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner, within 5 days after the close of each month and on forms to be furnished by the United States Department of Labor, as to the number of persons on their respective pay rolls on the particular project, the aggregate amount of such pay rolls, the total man-hours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

DEFINITIONS

SEC. 110. The following terms shall have the meanings, respectively, ascribed to them below, and, unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

(a) "Redevelopment area" means an area which is appropriate for development or redevelopment and within which a project area is located.

(b) "Redevelopment plan" means a plan, as it exists from time to time, for the development or redevelopment of a redevelopment or project area, which plan shall be sufficiently complete (1) to indicate its relationship to definite local objectives as to appropriate land uses and improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; and (2) to indicate proposed land uses and building requirements in the project area: *Provided*, That the Administrator shall take such steps as he deems necessary to assure consistency between the redevelopment plan and any highways or other public improvements in the locality receiving financial assistance from the Federal Works Agency.

(c) "Project" may include (1) acquisition of (i) a slum area or a deteriorated or deteriorating area which is predominantly residential in character, or (ii) any other deteriorated or deteriorating area which is to be developed or redeveloped for predominantly residential uses, or (iii) platted urban or suburban land which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise substantially impairs or arrests the sound growth of the community and which is to be developed for predominantly residential uses, or (iv) open unplatted urban or suburban land necessary for sound community growth which is to be developed for predominantly residential uses (in which even the project thereon, as provided in the proviso of section 103 (a) hereof, shall not be eligible for any capital grant); (2) demolition and removal of buildings and improvements; (3) installation, construction, or reconstruction of streets, utilities, and other site improvements essential to the preparation of sites for uses in accordance with the redevelopment plan; and (4) making the land available for development or redevelopment by private enterprise or public agencies (including sale, initial leasing, or retention by the local public agency itself) at its fair value for uses in accordance with the redevelopment plan. For the purposes of this title, the term "project" shall not include the construction of any of the buildings contemplated by the redevelopment plan, and the term "redevelopment" and derivatives thereof shall mean develop as well as redevelop. For any of the purposes of section 109 hereof, the term "project" shall not include any donations or provisions made as local grants-in-aid and eligible as such pursuant to clauses (2) and (3) of section 110 (d) hereof.

(d) "Local grants-in-aid" shall mean assistance by a State, municipality, or other public body, or any other entity, in connection with any project on which a contract for capital grant has been made under this title, in the form of (1) cash grants; (2) donations, at cash value, of land (exclusive of land in streets, alleys, and other public rights-of-way which may be vacated in connection with the project), and demolition or removal work, or site improvements in the project area, at their cost; and (3) the provision, at their cost, of parks, playgrounds, and public buildings or facilities (other than low-rent public housing) which are primarily of direct benefit to the project and which are necessary to serve or support the new uses of land in the project area in accordance with the redevelopment plan: *Provided*,

That, in any case where, in the determination of the Administrator, any park, playground, public building, or facility is of direct and substantial benefit both to the project and to other areas, the Administrator shall provide that, for the purpose of computing the amount of the local grants-in-aid for such project, there shall be included an allowance of an appropriate portion (as determined by the Administrator) of the cost of such park, playground, public building, or facility. No demolition or removal work, improvement, or facility for which a State, municipality, or other public body has received or has contracted to receive any grant or subsidy from the United States, or any agency or instrumentality thereof, for such work, or the construction of such improvement or facility, shall be eligible for inclusion as a local grant-in-aid in connection with a project or projects assisted under this title.

(e) "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) the amount of such local grants-in-aid as are furnished in forms other than cash.

(f) "Net project cost" shall mean the difference between the gross project cost and the aggregate of (1) the total sales prices of all land sold, and (2) the total capital values (1) imputed, on a basis approved by the Administrator, to all land leased, and (2) used as a basis for determining the amounts to be transferred to the project from other funds of the local public agency to compensate for any land retained by it for use in accordance with the redevelopment plan.

(g) "Going Federal rate" means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more, determined at the date the contract for advance of funds or for loan is made. Any contract for loan made may be revised or superseded by a later contract, so that the going Federal rate, on the basis of which the interest rate on the loan is fixed, shall mean the going Federal rate, as herein defined, on the date that such contract is revised or superseded by such later contract.

(h) "Local public agency" means any State, county, municipality, or other governmental entity or public body which is authorized to undertake the project for which assistance is sought. "State" includes the several States, the District of Columbia, and the Territories, dependencies, and possessions of the United States.

(i) "Administrator" means the Housing and Home Finance Administrator.

TITLE II—LOW-RENT PUBLIC HOUSING

LOCAL RESPONSIBILITIES AND DETERMINATIONS; TENANCY ONLY BY LOW-INCOME FAMILIES

SEC. 201. The United States Housing Act of 1937, as amended, is hereby amended by adding the following additional subsections to section 15:

"(7) In recognition that there should be local determination of the need for low-rent housing to meet needs not being adequately met by private enterprise—

"(a) the Authority shall not make any contract with a public housing agency for preliminary loans (all of which shall be repaid out of any moneys which become available to such agency for the development of the projects involved) for surveys and planning in respect to any low-rent housing projects initiated after March 1, 1949, (1) unless the governing body of the locality involved has by resolution approved the application of the public housing agency for such preliminary loan; and (2) unless the public housing agency has demonstrated to the satisfaction of the Authority that there

is a need for such low-rent housing which is not being met by private enterprise; and

"(b) the Authority shall not make any contract for loans (other than preliminary loans) or for annual contributions pursuant to this act with respect to any low-rent housing project initiated after March 1, 1949, (1) unless the governing body of the locality involved has entered into an agreement with the public housing agency providing for the local cooperation required by the Authority pursuant to this act; and (2) unless the public housing agency has demonstrated to the satisfaction of the Authority that a gap of at least 20 percent has been left between the upper rental limits for admission to the proposed low-rent housing and the lowest rents at which private enterprise unaided by public subsidy is providing (through new construction and available existing structures) a substantial supply of decent, safe, and sanitary housing toward meeting the need of an adequate volume thereof.

"(8) Every contract made pursuant to this act for annual contributions for any low-rent housing project initiated after March 1, 1949, shall provide that—

"(a) the public housing agency shall fix maximum income limits for the admission and for the continued occupancy of families in such housing, that such maximum income limits and all revisions thereof shall be subject to the prior approval of the Authority, and that the Authority may require the public housing agency to review and to revise such maximum income limits if the Authority determines that changed conditions in the locality make such revisions necessary in achieving the purposes of this act:

"(b) a duly authorized official of the public housing agency involved shall make periodic written statements to the Authority that an investigation has been made of each family admitted to the low-rent housing project involved during the period covered thereby, and that, on the basis of the report of said investigation, he has found that each such family at the time of its admission (1) had a net family income not exceeding the maximum income limits theretofore fixed by the public housing agency (and approved by the Authority) for admission of families of low income to such housing; and (2) lived in an unsafe, insanitary, or overcrowded dwelling, or was to be displaced by another low-rent housing project or by a public slum-clearance or redevelopment project, or actually was without housing, or was about to be without housing as a result of a court order of eviction, due to causes other than the fault of the tenant: *Provided*, That the requirement in (2) shall not be applicable in the case of the family of any veteran or serviceman (or of any deceased veteran or serviceman) where application for admission to such housing is made not later than 5 years after March 1, 1949;

"(c) in the selection of tenants (1) the public housing agency shall not discriminate against families, otherwise eligible for admission to such housing, because their incomes are derived in whole or in part from public assistance and (2) in initially selecting families for admission to dwellings of given sizes and at specified rents the public housing agency shall (subject to the preferences prescribed in subsection 10 (g) of this act) give preference to families having the most urgent housing needs, and thereafter, in selecting families for admission to such dwellings, shall give due consideration to the urgency of the families' housing needs; and

"(d) the public housing agency shall make periodic reexaminations of the net incomes of tenant families living in the low-rent housing project involved; and if it is found, upon such reexamination, that the net incomes of any such families have increased beyond the maximum income limits fixed by the public housing agency (and approved by the Authority) for continued occupancy in such

housing, such families shall be required to move from the project."

VETERANS' PREFERENCES

SEC. 202. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By adding the following new subsection to section 10:

"(g) Every contract made pursuant to this act for annual contributions for any low-rent housing project shall require that the public housing agency, as among low-income families which are eligible applicants for occupancy in dwellings of given sizes and at specified rents, shall extend the following preferences in the selection of tenants:

"First, to families which are to be displaced by any low-rent housing project or by any public slum-clearance or redevelopment project, or which were so displaced within 3 years prior to making application to such public housing agency for admission to any low-rent housing; and as among such families first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service connected, and, second, preference shall be given to families of other veterans and servicemen (including families of deceased veterans or servicemen);

"Second, to families of other veterans and servicemen (including families of deceased veterans or servicemen) and as among such families first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service connected."

(b) By adding the following new subsection to section 2:

"(14) The term 'veteran' shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, and at any time on or after April 6, 1917, and prior to November 11, 1918, and who shall have been discharged or released therefrom under conditions other than dishonorable. The term 'serviceman' shall mean a person in the active military or naval service of the United States who has served therein on or after September 16, 1940, and prior to July 26, 1947."

COST LIMITS

SEC. 203. Subsection 15 (5) of the United States Housing Act of 1937, as amended, is hereby amended to read as follows:

"(5) No contract for any loan, annual contribution, or capital grant made pursuant to this act shall be entered into by the Authority with respect to any low-rent housing project completed after January 1, 1948, having a cost for construction and equipment of more than \$1,750 per room (excluding land, demolition, and nondwelling facilities); except that in the case of Alaska any such contract may be entered into with respect to a project having a cost for construction and equipment of not to exceed \$2,500 per room (excluding land, demolition, and nondwelling facilities): *Provided*, That if the Administrator finds that in the geographical area of any project (1) it is not feasible under the aforesaid cost limitations to construct the project without sacrifice of sound standards of construction, design, and livability, and (2) there is an acute need for such housing, he may prescribe in such contract cost limitations which may exceed by not more than \$750 per room the limitations that would otherwise be applicable to such project hereunder. The Authority shall make loans, grants, and annual contributions only for such low-rent housing projects as it finds are to be undertaken in such a manner that such projects will not be of elaborate or extravagant design or materials, and economy will be promoted both in construction and administration. In order to attain the foregoing objective, every contract for financial assistance entered into with respect to any

low-rent housing project initiated after March 1, 1949, shall provide that no award of the main construction contract for such project shall be made unless the Authority, taking into account the level of construction costs prevailing in the locality where such project is to be located, shall have specifically approved the amount of such main construction contract."

PRIVATE FINANCING

SEC. 204. In order to stimulate increasing private financing of low-rent housing projects, the United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) The last proviso of subsection (b) of section 10 is repealed, and subsection (f) of said section is amended to read as follows:

"(f) Payments under annual contributions contracts shall be pledged as security for any loans obtained by a public housing agency to assist the development or acquisition of the housing project to which the annual contributions relate."

(b) The following is added after section 21:

"PRIVATE FINANCING

"SEC. 22. To facilitate the enlistment of private capital through the sale by public housing agencies of their bonds and other obligations to others than the Authority, in financing low-rent housing projects, and to maintain the low-rent character of housing projects—

"(a) Every contract for annual contributions (including contracts which amend or supersede contracts previously made) may provide that—

"(1) upon the occurrence of a substantial default in respect to the covenants or conditions to which the public housing agency is subject (as such substantial default shall be defined in such contract), the public housing agency shall be obligated at the option of the Authority, either to convey title in any case where, in the determination of the Authority (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this act, or to deliver possession to the Authority of the project, as then constituted, to which such contract relates;

"(2) the Authority shall be obligated to reconvey or to redeliver possession of the project, as constituted at the time of reconveyance or redelivery, to such public housing agency or to its successor (if such public housing agency or a successor exists) upon such terms as shall be prescribed in such contract and as soon as practicable: (i) after the Authority shall be satisfied that all defaults with respect to the project have been cured, and that the project will, in order to fulfill the purposes of this act, thereafter be operated in accordance with the terms of such contract; or (ii) after the termination of the obligation to make annual contributions available unless there are any obligations or covenants of the public housing agency to the Authority which are then in default. Any prior conveyances and reconveyances, deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the project to the Authority pursuant to subparagraph (1), upon the subsequent occurrence of a substantial default.

"(b) Whenever such contract for annual contributions shall include provisions which the Authority, in said contract, determines are in accordance with subsection (a) hereof, and the annual contributions, pursuant to such contract, have been pledged by the public housing agency as security for the payment of the principal and interest on any of its obligations, the Authority (notwithstanding any other provisions of this act) shall continue to make annual contributions available for the project so long as any of such obligations remain outstanding, and may covenant in such contract (in lieu of the provision required by the first sentence of

subsection 15 (3) of this act and notwithstanding any other provisions of law) that in any event such annual contributions shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the project for the purpose at the time such annual contribution is made, will suffice for the payment of all installments, falling due within the next succeeding 12 months, of principal and interest on the obligations for which the annual contributions provided for in the contract shall have been pledged as security: *Provided*, That such annual contributions shall not be in excess of the maximum sum determined pursuant to the first proviso of subsection 10 (b), or, where applicable, the second proviso of subsection 10 (c); and in no case shall such annual contributions be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract."

(c) In the fourth sentence of section 9 the words "going Federal rate at the time the loan is made," are deleted, in the first proviso of subsection 10 (b) the words "going Federal rate of interest at the time such contract is made" are deleted, and in lieu thereof in each case there are substituted the words "applicable going Federal rate"; and subsection 2 (10) is amended to read as follows:

"(10) The term 'going Federal rate' means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more, determined, in the case of loans or annual contributions, respectively, at the date of Presidential approval of the contract pursuant to which such loans or contributions are made: *Provided*, That for the purposes of this act, the going Federal rate shall be deemed to be not less than 2½ percent."

(d) Section 9 is amended by striking out the period at the end of said section and adding a colon and the following: "*Provided*, That in the case of projects initiated after March 1, 1949, with respect to which annual contributions are contracted for pursuant to this act, loans shall not be made for a period exceeding 40 years from the date of the bonds evidencing the loan: *And provided further*, That, in the case of such projects or any other projects with respect to which the contracts (including contracts which amend or supersede contracts previously made) provide for loans for a period not exceeding 40 years from the date of the bonds evidencing the loan and for annual contributions for a period not exceeding 40 years from the date the first annual contribution for the project is paid, such loans shall bear interest at a rate not less than the applicable going Federal rate."

(e) Subsection 10 (c) is amended by striking out the period at the end of the last sentence and adding a colon and the following: "*Provided*, That, in the case of projects initiated after March 1, 1949, contracts for annual contributions shall not be made for a period exceeding 40 years from the date the first annual contribution for the project is paid: *And provided further*, That, in the case of such projects or any other projects with respect to which the contracts for annual contributions (including contracts which amend or supersede contracts previously made) provide for annual contributions for a period not exceeding 40 years from the date the first annual contribution for the project is paid, the fixed contribution may exceed the amount provided in the first proviso of subsection (b) of this section by 1 percent of development or acquisition cost."

(f) The first sentence of subsection 10 (c) is amended to read as follows: "Every contract for annual contributions shall pro-

vide that whenever in any year the receipts of a public housing agency in connection with a low-rent housing project exceed its expenditures (including debt service, administration, maintenance, establishment of reserves, and other costs and charges), an amount equal to such excess shall be applied, or set aside for application, to purposes which, in the determination of the Authority, will effect a reduction in the amount of subsequent annual contributions."

(g) Section 14 is amended by inserting the following after the first sentence: "When the Authority finds that it would promote economy or be in the financial interest of the Federal Government, any contract heretofore or hereafter made for annual contributions, loans, or both, may, with Presidential approval, be amended or superseded by a contract of the Authority so that the going Federal rate on the basis of which such annual contributions or interest rate on the loans, or both, respectively, are fixed shall mean the going Federal rate, as herein defined, on the date of Presidential approval of such amending or superseding contract: *Provided*, That contracts may not be amended or superseded in a manner which would impair the rights of the holders of any outstanding obligations of the public housing agency involved for which annual contributions have been pledged."

(h) Section 20 is amended to read as follows:

"SEC. 20. The Authority may issue and have outstanding at any one time notes and other obligations for purchase by the Secretary of the Treasury in an amount not to exceed \$1,500,000,000. Such notes or other obligations shall be in such forms and denominations, shall have such maturities, and shall be subject to such terms and conditions as may be prescribed by the Authority with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or other obligations by the Authority. The Secretary of the Treasury is authorized and directed to purchase any notes or other obligations of the Authority issued hereunder and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States."

(i) Subsection 2 (5) is amended to read as follows:

"(5) The term 'development' means any or all undertakings necessary for planning, land acquisition, demolition, construction, or equipment, in connection with a low-rent housing project. The term 'development cost' shall comprise the costs incurred by a public housing agency in such undertakings and their necessary financing (including the payment of carrying charges, but not beyond the point of physical completion), and in otherwise carrying out the development of such project. Construction activity in connection with a low-rent housing project may be confined to the reconstruction, remodeling, or repair of existing buildings."

(j) The following additional subsection is added to section 15:

"(9) Any contract for loans or annual contributions, or both, entered into by the Authority with a public housing agency, may

cover one or more than one low-rent housing project owned by said public housing agency; in the event such contract covers two or more projects, such projects may, for any of the purposes of this act and of such contract (including, but not limited to, the determination of the amount of the loan, annual contributions, or payments in lieu of taxes, specified in such contract), be treated collectively as one project."

ANNUAL CONTRIBUTIONS

Sec. 205. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By inserting the following after the first sentence of subsection (e) of section 10: "With respect to projects assisted pursuant to this act, the Authority (in addition to the amount authorized by the first sentence of this subsection) is authorized, with the approval of the President, to enter into contracts, on and after July 1, 1949, for annual contributions aggregating, not more than \$85,000,000 per annum, which limit shall be increased by further amounts of \$55,000,000 on July 1 in each of the years 1950, 1951, and 1952, respectively, and by \$58,000,000 on July 1, 1953: *Provided*, That (subject to the total additional authorization of not more than \$308,000,000 per annum) such limit, and any such authorized increase therein, may be increased at any time or times by additional amounts aggregating not more than \$55,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon conditions in the building industry and upon the national economy, that such action is in the public interest: *And provided further*, That 10 percent of each amount of authorization to enter into contracts for annual contributions becoming available hereunder shall, for a period of 3 years after such amount of authorization becomes available, be available only for annual contributions contracts with respect to projects to be located in rural non-farm areas. With respect to projects initiated after March 1, 1949, the Authority may authorize the commencement of construction of not to exceed 135,000 dwelling units after July 1, 1949, which limit shall be increased by further amounts of 135,000 dwelling units on July 1 in each of the years 1950 through and including 1954, respectively: *Provided*, That (subject to the authorization of not to exceed 810,000 dwelling units) such limit, and any such authorized increase therein, may be increased at any time or times by additional amounts aggregating not more than 85,000 dwelling units, upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase or decrease upon conditions in the building industry and upon the national economy, that such action is in the public interest: *And provided further*, That contracts for annual contributions with respect to low-rent housing projects initiated after March 1, 1949, shall not provide for the commencement of construction of more than 810,000 dwelling units without further authorization from the Congress."; and

(b) By deleting the third sentence of subsection 10 (a) and adding the following new subsection to section 10:

"(h) Every contract made pursuant to this act for annual contributions for any low-rent housing project initiated after March 1, 1949, shall provide that no annual contributions by the Authority shall be made available for such project unless such project is exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivisions, but such contract may authorize the public housing agency to make payments in lieu of such taxes in an annual amount not in excess of

10 percent of the annual shelter rents charged in such project: *Provided*, That, with respect to any such project to be located in any State where, by reason of constitutional limitations or otherwise, such project is not exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision, such contract may provide, in lieu of the requirement for tax exemption and the authorization of payments in lieu of taxes, that no annual contributions by the Authority shall be made available for such project unless and until the State, city, county, or other political subdivision in which such project is situated shall contribute, in the form of cash, at least 20 percent of the annual contributions paid by the Authority. In respect to low-rent housing projects initiated prior to March 1, 1949, the Authority may, after the effective date of the Housing Act of 1949, authorize payments in lieu of taxes for each of the project fiscal years in respect to which annual contribution dates occurred during the 2-year period ending June 30, 1949, in amounts which, together with amounts already paid, will not exceed the greater of either (i) 5 percent of the shelter rents charged in such projects for each of such project fiscal years, or (ii) the amounts specified in the cooperation agreements in effect July 1, 1947, between the public housing agencies and the political subdivisions in which the projects are located, or in the ordinances or resolutions of such political subdivisions in effect on such date. In respect to such low-rent housing projects initiated prior to March 1, 1949, the contracts for annual contributions may be amended as to project fiscal years in respect to which annual contribution dates occur on or after July 1, 1949, so as to require exemption from real and personal property taxes in lieu of any other requirements as to local contributions and to permit payments in lieu of taxes on the terms prescribed in the first sentence of this subsection; in the event that the contracts for annual contributions are not so amended, payments in lieu of taxes in respect to such project fiscal years shall be limited to the amounts specified in the cooperation agreements or ordinances or resolutions in effect July 1, 1947."

SPECIAL PROVISIONS FOR LARGE FAMILIES OF LOW INCOME

Sec. 206. In order to enable low-rent housing to better serve the needs of large families of low income, the United States Housing Act of 1937, as amended, is hereby amended by deleting the second sentence of subsection 2 (1) and substituting therefor the following: "The dwellings in low-rent housing as defined in this act shall be available solely for families whose net annual income at the time of admission, less an exemption of \$100 for each minor member of the family other than the head of the family and his spouse, does not exceed five times the annual rental (including the value or cost to them of water, electricity, gas, other heating and cooking fuels, and other utilities) of the dwellings to be furnished such families. For the sole purpose of determining eligibility for continued occupancy, a public housing agency may allow, from the net income of any family, an exemption for each minor member of the family (other than the head of the family and his spouse) of either (a) \$100, or (b) all or any part of the annual income of such minor. For the purposes of this subsection, a minor shall mean a person less than 21 years of age."

TECHNICAL AMENDMENTS

Sec. 207. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By deleting from section 1 the words "rural or urban communities" and by substituting therefor the words "urban and rural nonfarm areas";

(b) (1) By adding at the end of subsection 2 (11) the following new sentence: "The Authority shall enter into contracts for financial assistance with a State or State agency where such State or State agency makes application for such assistance for an eligible project which, under the applicable laws of the State, is to be developed and administered by such State or State agency."; and

(2) By adding the following new subsection to section 2:

"(15) The term 'initiated' when used in reference to the date on which a project was initiated refers to the date of the first contract for financial assistance in respect to such project entered into by the Authority and the public housing agency.";

(c) By adding to section 6 the following new subsection:

"(e) With respect to all projects under title II of Public Law 671, Seventy-sixth Congress, approved June 28, 1940, references therein to the United States Housing Act of 1937, as amended, shall include all amendments to said act made by the Housing Act of 1949 or by any other law thereafter enacted.";

(d) By deleting the proviso in subsection 10 (a) and the proviso in subsection 11 (a), and in each case changing the colon preceding the word "Provided" to a period;

(e) By amending the second sentence of subsection 13 (a) to read as follows: "The Authority may bid for and purchase at any foreclosure by any party or at any other sale or (pursuant to section 22 or otherwise) acquire or take possession of any project which it previously owned or in connection with which it has made a loan, annual contribution, or capital grant; and in such event the Authority may complete, administer, pay the principal of and interest on any obligations issued in connection with such project, dispose of, and otherwise deal with, such projects or parts thereof, subject, however, to the limitations elsewhere in this act governing their administration and disposition.";

(f) By amending subsection 16 (2) by inserting after the words "contain a provision requiring that" the words "not less than";

(g) By amending subsection 21 (d) to read as follows:

"(d) Not more than 10 percent of the total annual amount of \$336,000,000 provided in this act for annual contributions, nor more than 10 percent of the amounts provided for in this act for grants, shall be expended within any one State."; and

(h) By renumbering sections 22 to 30, inclusive, so that they become sections 23 to 31, inclusive.

TITLE III—HOUSING RESEARCH

Sec. 301. Title III of Public Law 901, Eightieth Congress, approved August 10, 1948, is hereby amended to read as follows:

"Sec. 301. The Housing and Home Finance Administrator shall—

"(a) Undertake and conduct a program with respect to technical research and studies concerned with the development, demonstration, and promotion of the acceptance and application of new and improved techniques, materials, and methods which will permit progressive reductions in housing construction and maintenance costs and stimulate the increased and sustained production of housing, and concerned with housing economics and other housing market data. Such program may be concerned with improved and standardized building codes and regulations and methods for the more uniform administration thereof, standardized dimensions and methods for the assembly of home-building materials and equipment, improved residential design and construction, new and improved types of housing components, building materials and equipment, and

methods of production, distribution, assembly, and construction, and sound techniques for the testing thereof and for the determination of adequate performance standards, and may relate to appraisal, credit, and other housing market data, housing needs, demand and supply, finance and investment, land costs, use and improvement, site planning and utilities, zoning and other laws, codes and regulations as they apply to housing, other factors affecting the cost of housing, and related technical and economic research. Contracts may be made by the Administrator for technical research and studies authorized by this subsection for work to continue not more than 4 years from the date of any such contract. Notwithstanding the provisions of section 5 of the act of June 20, 1874, as amended (31 U. S. C. 713), any unexpended balances of appropriations properly obligated by contracting with an organization as provided in this subsection may remain upon the books of the Treasury for not more than 5 fiscal years before being carried to the surplus fund and covered into the Treasury. All contracts made by the Administrator for technical research and studies authorized by this or any other act shall contain requirements making the results of such research or studies available to the public through dedication, assignment to the Government, or such other means as the Administrator shall determine. The Administrator shall disseminate, and without regard to the provisions of 39 United States Code 321n, the results of such research and studies in such forms as may be most useful to industry and to the general public.

"(b) Prepare and submit to the President and to the Congress estimates of national urban and rural nonfarm housing needs and reports with respect to the progress being made toward meeting such needs, and correlate and recommend proposals for such executive action or legislation as may be necessary or desirable for the furtherance of the national housing objective and policy established by this act, with respect to urban and rural nonfarm housing, together with such other reports or information as may be required of the Administrator by the President or the Congress.

"(c) Encourage localities to make studies of their own housing needs and markets, along with surveys and plans for housing, urban land use and related community development, and provide, where requested and needed by the localities, technical advice and guidance in the making of such studies, surveys, and plans.

"Sec. 302. In carrying out research and studies under this title, the Administrator shall utilize, to the fullest extent feasible, the available facilities of other departments, independent establishments, and agencies of the Federal Government, and shall consult with, and make recommendations to, such departments, independent establishments, and agencies with respect to such action as may be necessary and desirable to overcome existing gaps and deficiencies in available housing data or in the facilities available for the collection of such data. The Administrator is further authorized, for the purposes of this title, to undertake research and studies cooperatively with industry and labor, and with agencies of State or local governments, and educational institutions and other nonprofit organizations. For the purpose of entering into contracts with any State or local public agency or instrumentality, or educational institution or other nonprofit agency or organization, in carrying out any research or studies authorized by this title, the Administrator may exercise any of the powers vested in him by section 502 (c) of the Housing Act of 1948.

"Sec. 303. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

"Sec. 304. The Administrator shall appoint a Director to administer the provisions of this title under the direction and supervision of the Administrator, and the basic rate of compensation of such position shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency."

TITLE IV—FARM HOUSING

FINANCIAL ASSISTANCE BY THE SECRETARY OF AGRICULTURE

Sec. 401. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized, subject to the terms and conditions of this title, to extend financial assistance, through the Farmers Home Administration, to owners of farms in the United States and in the Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to enable them to construct, improve, alter, repair, or replace dwellings and other farm buildings on their farms to provide them, their tenants, lessees, sharecroppers, and laborers with decent, safe, and sanitary living conditions and adequate farm buildings as specified in this title.

(b) For the purpose of this title, the term "farm" shall mean a parcel or parcels of land operated as a single unit which is used for the production of one or more agricultural commodities and which customarily produces or is capable of producing such commodities for sale and for home use of a gross annual value of not less than the equivalent of a gross annual value of \$400 in 1944, as determined by the Secretary. The Secretary shall promptly determine whether any parcel or parcels of land constitute a farm for the purposes of this title whenever requested to do so by any interested Federal, State, or local public agency, and his determination shall be conclusive.

(c) In order to be eligible for the assistance authorized by paragraph (a), the applicant must show (1) that he is the owner of a farm which is without a decent, safe, and sanitary dwelling for himself and his family and necessary resident farm labor, or for the family of the operating tenant, lessee, or share cropper, or without other farm buildings adequate for the type of farming in which he engages or desires to engage; (2) that he is without sufficient resources to provide the necessary housing and buildings on his own account; and (3) that he is unable to secure the credit necessary for such housing and buildings from other sources upon terms and conditions which he could reasonably be expected to fulfill.

LOANS FOR HOUSING AND BUILDINGS ON ADEQUATE FARMS

Sec. 402. (a) If the Secretary determines that an applicant is eligible for assistance as provided in section 401 and that the applicant has the ability to repay in full the sum to be loaned, with interest, giving due consideration to the income and earning capacity of the applicant and his family from the farm and other sources, and the maintenance of a reasonable standard of living for the owner and the occupants of said farm, a loan may be made by the Secretary to said applicant for a period of not to exceed 33 years from the making of the loan with interest at a rate not to exceed 4 percent per annum on the unpaid balance of principal.

(b) The instruments under which the loan is made and the security given shall—

(1) provide for security upon the applicant's equity in the farm and such additional security or collateral, if any, as may be found necessary by the Secretary reasonably to assure repayment of the indebtedness;

(2) provide for the repayment of principal and interest in accordance with schedules and repayment plans prescribed by the Secretary;

(3) contain the agreement of the borrower that he will, at the request of the Secre-

tary, proceed with diligence to refinance the balance of the indebtedness through cooperative or other responsible private credit sources whenever the Secretary determines, in the light of the borrower's circumstances, including his earning capacity and the income from the farm, that he is able to do so upon reasonable terms and conditions;

(4) be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the loan with interest, protect the security, and assure that the farm will be maintained in repair and that waste and exhaustion of the farm will be prevented.

LOANS FOR HOUSING AND BUILDINGS ON POTENTIALLY ADEQUATE FARMS

Sec. 403. If the Secretary determines (a) that, because of the inadequacy of the income of an eligible applicant from the farm to be improved and from other sources, said applicant may not reasonably be expected to make annual repayments of principal and interest in an amount sufficient to repay the loan in full within the period of time prescribed by the Secretary as authorized in this title; (b) that the income of the applicant may be sufficiently increased within a period of not to exceed 10 years by improvement or enlargement of the farm or an adjustment of the farm practices or methods; and (c) that the applicant has adopted and may reasonably be expected to put into effect a plan of farm improvement, enlargement, or adjusted practices which, in the opinion of the Secretary, will increase the applicant's income from said farm within a period of not to exceed 10 years to the extent that the applicant may be expected thereafter to make annual repayments of principal and interest sufficient to repay the balance of the indebtedness less payments in cash and credits for the contributions to be made by the Secretary as hereinafter provided, the Secretary may make a loan in an amount necessary to provide adequate farm dwellings and buildings on said farm under the terms and conditions prescribed in section 402. In addition, the Secretary may agree with the borrower to make annual contribution during the said 10-year period in the form of credits on the borrower's indebtedness in an amount not to exceed the annual installment of interest and 50 percent of the principal payments accruing during any installment year up to and including the tenth installment year, subject to the conditions that the borrower's income is, in fact, insufficient to enable the borrower to make payments in accordance with the plan or schedule prescribed by the Secretary and that the borrower pursues his plan of farm reorganization and improvements or enlargement with due diligence.

This agreement with respect to credits of principal and interest upon the borrower's indebtedness shall not be assignable nor accrue to the benefit of any third party without the written consent of the Secretary and the Secretary shall have the right, at his option, to cancel the agreement upon the sale of the farm or the execution or creation of any lien thereon subsequent to the lien given to the Secretary, or to refuse to release the lien given to the Secretary except upon payment in cash of the entire original principal plus accrued interest thereon less actual cash payments of principal and interest when the Secretary determines that the release of the lien would permit the benefits of this section to accrue to a person not eligible to receive such benefits.

OTHER SPECIAL LOANS AND GRANTS FOR MINOR IMPROVEMENTS TO FARM HOUSING AND BUILDINGS

Sec. 404. In the event the Secretary determines that an eligible applicant cannot qualify for a loan under the provisions of sections 402 and 403 and that repairs or improvements should be made to a farm dwelling

occupied by him, or his tenants, lessees, sharecroppers, or laborers, in order to make such dwelling safe and sanitary and remove hazards to the health of the occupant, his family, or the community, and that repairs should be made to farm buildings in order to remove hazards and make such buildings safe, the Secretary may make a grant or a combined loan and grant, to the applicant to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making other similar repairs or improvements. No assistance shall be extended to any one individual under the provisions of this section in the form of a loan or grant or combination thereof in excess of \$1,000 for any one farm or dwelling or building owned by such individual, or in excess of \$2,000 in the aggregate to any one such individual, and the grant portion with respect to any one farm or dwelling or building shall not exceed \$500. Any portion of the sums advanced to the borrower treated as a loan shall be secured and be repayable in accordance with the principles and conditions set forth in this title. Sums made available by grant may be made subject to the conditions set out in this title for the protection of the Government with respect to contributions made on loans by the Secretary. In the case of such loan or grant with respect to a farm not occupied by the owner of the land, the Secretary may, as a condition precedent to the grant, require that the landowner enter into such stipulations and agreements with the Secretary and the occupants of the farm as will make it possible for the occupant to obtain the full benefits of the grant.

MORATORIUM ON PAYMENTS UNDER LOANS

SEC. 405. During any time that any such loan is outstanding, the Secretary is authorized under regulations to be prescribed by him to grant a moratorium upon the payment of interest and principal on such loan for so long a period as he deems necessary, upon a showing by the borrower that due to circumstances beyond his control, he is unable to continue making payments of such principal and interest when due without unduly impairing his standard of living. In cases of extreme hardship under the foregoing circumstances, the Secretary is further authorized to cancel interest due and payable on such loans during the moratorium. Should any foreclosure of such a mortgage securing such a loan upon which a moratorium has been granted occur, no deficiency judgment shall be taken against the mortgagor if he shall have faithfully tried to meet his obligation.

TECHNICAL SERVICES AND RESEARCH

SEC. 406. (a) In connection with financial assistance authorized in sections 401 to 404, inclusive, the Secretary shall require that all new buildings and repairs financed under this title shall be substantially constructed and in accordance with such building plans and specifications as may be required by the Secretary. Buildings and repairs constructed with funds advanced pursuant to this title shall be supervised and inspected, as may be required by the Secretary, by competent employees of the Secretary. In addition to the financial assistance authorized in sections 401 to 404, inclusive, the Secretary is authorized to furnish, through such agencies as he may determine, to any person, including a person eligible for financial assistance under this title, without charge or at such charges as the Secretary may determine, technical services such as building plans, specifications, construction supervision and inspection, and advice and information regarding farm dwellings and other buildings. The Secretary is further authorized to conduct research and technical studies including the development, demonstration, and pro-

motion of construction of adequate farm dwellings and other buildings for the purposes of stimulating construction, improving the architectural design and utility of such dwellings and buildings, utilizing new and native materials, economies in materials and construction methods, new methods of production, distribution, assembly, and construction, with a view to reducing the cost of farm dwellings and buildings and adapting and developing fixtures and appurtenances for more efficient and economical farm use.

(b) The Secretary of Agriculture shall prepare and submit to the President and to the Congress estimates of national farm housing needs and reports with respect to the progress being made toward meeting such needs, and correlate and recommend proposals for such Executive action or legislation necessary or desirable for the furtherance of the national housing objective and policy established by this act with respect to farm housing, together with such other reports or information as may be required of the Secretary by the President or the Congress.

PREFERENCES FOR VETERANS AND FAMILIES OF DECEASED SERVICEMEN

SEC. 407. As between eligible applicants seeking assistance under this title, the Secretary shall give preference to veterans and the families of deceased servicemen. As used herein, a "veteran" shall be a person who served in the land or naval forces of the United States during any war between the United States and any other nation and who shall have been discharged or released therefrom on conditions other than dishonorable. "Deceased servicemen" shall mean men or women who served in the land or naval forces of the United States during any war between the United States and any other nation and who died in service before the termination of such war.

LOCAL COMMITTEES TO ASSIST SECRETARY

SEC. 408. (a) For the purposes of this subsection and subsection (b) of this section, the Secretary may use the services of any existing committee of farmers operating (pursuant to laws or regulations carried out by the Department of Agriculture) in any county or parish in which activities are carried on under this title. In any county or parish in which activities are carried on under this title and in which no existing satisfactory committee is available, the Secretary is authorized to appoint a committee composed of three persons residing in the county or parish. Each member of such existing or newly appointed committee shall be allowed compensation at the rate of \$5 per day while engaged in the performance of duties under this title and, in addition, shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses. One member of the committee shall be designated by the Secretary as chairman. The Secretary shall prescribe rules governing the procedures of the committees, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistance as he deems may be required by any committee.

(b) The committees utilized or appointed pursuant to this section shall examine applications of persons desiring to obtain the benefits of this title and shall submit recommendations to the Secretary with respect to each applicant as to whether the applicant is eligible to receive the benefits of this title, whether by reason of his character, ability, and experience, he is likely successfully to carry out undertakings required of him under a loan or grant under this title, and whether the farm with respect to which the application is made is of such character that there is a reasonable likelihood that

the making of the loan or grant requested will carry out the purposes of this title. The committees shall also certify to the Secretary their opinions of the reasonable values of the farms. The committees shall, in addition, perform such other duties under this title as the Secretary may require.

GENERAL POWERS OF SECRETARY

SEC. 409. (a) The Secretary, for the purposes of this title, shall have the power to determine and prescribe the standards of adequate farm housing and other buildings, by farms or localities, taking into consideration, among other factors, the type of housing which will provide decent, safe, and sanitary dwelling for the needs of the family using the housing, the type and character of the farming operations to be conducted, and the size and earning capacity of the land.

(b) The Secretary may require any recipient of a loan or grant to agree that the availability of improvements constructed or repaired with the proceeds of the loan or grant under this title shall not be a justification for directly or indirectly changing the terms or conditions of the lease or occupancy agreement with the occupants of such farms to the latter's disadvantage without the approval of the Secretary.

ADMINISTRATIVE PROVISIONS

SEC. 410. In carrying out the provisions of this title, the Secretary shall have the power to—

(a) make contracts for services and supplies without regard to the provisions of section 3709 of the Revised Statutes, as amended, when the aggregate amount involved is less than \$300;

(b) enter into subordination, subrogation, or other agreements satisfactory to the Secretary;

(c) compromise claims and obligations arising out of sections 402 to 405, inclusive, of this title and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into as circumstances may require, including the release from personal liability, without payments of further consideration, of—

(1) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume the outstanding indebtedness to the Secretary under this title; and

(2) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume that portion of the outstanding indebtedness to the Secretary under this title which is equal to the earning capacity value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the Secretary determines that the original borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

(d) collect all claims and obligations arising out of or under any mortgage, lease, contract, or agreement entered into pursuant to this title and, if in his judgment necessary and advisable, to pursue the same to final collection in any court having jurisdiction: *Provided*, That the prosecution and defense of all litigation under this title shall be conducted under the supervision of the Attorney General and the legal representation shall be by the United States attorneys for the districts, respectively, in which such litigation may arise and by such other attorney or attorneys as may, under law, be designated by the Attorney General;

(e) bid for and purchase at any foreclosure or other sale or otherwise to acquire the property pledged or mortgaged to secure

a loan or other indebtedness owing under this title, to accept title to any property so purchased or acquired, to operate or lease such property for such period as may be necessary or advisable, to protect the interest of the United States therein and to sell or otherwise dispose of the property so purchased or acquired by such terms and for such considerations as the Secretary shall determine to be reasonable and to make loans as provided herein to provide adequate farm dwellings and buildings for the purchasers of such property;

(f) utilize with respect to the indebtedness arising from loans and payments made under this title, all the powers and authorities given to him under the act approved December 20, 1944, entitled "An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes" (58 Stat. 836), as such act now provides or may hereafter be amended;

(g) make such rules and regulations as he deems necessary to carry out the purposes of this title.

LOAN FUNDS

SEC. 411. The Secretary may issue notes and other obligations for purchase by the Secretary of the Treasury in such sums as the Congress may from time to time determine to make loans under this title not in excess of \$25,000,000 on and after July 1, 1949, an additional \$50,000,000 on and after July 1, 1950, an additional \$75,000,000 on and after July 1, 1951, and an additional \$100,000,000 on and after July 1, 1952. The notes and obligations issued by the Secretary shall be secured by the obligations of borrowers and the Secretary's commitments to make contributions under this title and shall be repaid from the payment of principal and interest on the obligations of the borrowers and from funds appropriated hereunder. The notes and other obligations issued by the Secretary shall be in such forms and denominations, shall have such maturities, and shall be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or obligations by the Secretary. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Secretary issued hereunder and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or obligations shall be treated as public debt transactions of the United States.

CONTRIBUTIONS

SEC. 412. In connection with loans made pursuant to section 403, the Secretary is authorized, on and after July 1, 1949, to make commitments for contributions aggregating not to exceed \$500,000 per annum and to make additional commitments, on and after July 1 of each of the years 1950, 1951, and 1952, respectively, which shall require additional contributions aggregating not more than \$1,000,000, \$1,500,000, and \$2,000,000 per annum, respectively.

SEC. 413. There is hereby authorized to be appropriated to the Secretary (a) such sums as may be necessary to meet payments on

notes or other obligations issued by the Secretary under section 411 equal to (1) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 403, and (2) the interest due on a similar sum represented by notes or other obligations issued by the Secretary; (b) an additional \$2,000,000 for grants pursuant to section 404 on and after July 1, 1949, which amount shall be increased by further amounts of \$5,000,000, \$8,000,000, and \$10,000,000 on July 1 of each of the years 1950, 1951, and 1952, respectively; and (c) such further sums as may be necessary to enable the Secretary to carry out the provisions of this title.

TITLE V—MISCELLANEOUS PROVISIONS

ADVISORY COMMITTEES

SEC. 501. The Housing and Home Finance Administrator may appoint such advisory committee or committees as he may deem necessary in carrying out his functions, powers, and duties, under this or any other act. Service as a member of any such committee shall not constitute any form of service or employment within the provisions of sections 281, 283, or 284 of title 18 United States Code.

AMENDMENTS OF NATIONAL BANKING ACT

SEC. 502. (a) The last sentence of paragraph 7 of section 5136 of the Revised Statutes, as amended, is amended by inserting before the colon, after the words "obligations of national mortgage associations", a comma and the following: "or such obligations of any local public agency (as defined in section 110 (h) of the Housing Act of 1949) as are secured by an agreement between the local public agency and the Housing and Home Finance Administrator in which the local public agency agrees to borrow from said Administrator, and said Administrator agrees to lend to said local public agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than 18 months), monies in an amount which (together with any other monies irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which monies under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations at their maturity, or such obligations of a public housing agency (as defined in the United States Housing Act of 1937, as amended) as are secured either (1) by an agreement between the public housing agency and the Public Housing Administration in which the public housing agency agrees to borrow from the Public Housing Administration, and the Public Housing Administration agrees to lend to the public housing agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than 18 months), monies in an amount which (together with any other monies irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which monies under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations at their maturity, or (2) by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Public Housing Administration if such contract shall contain the covenant by the Public Housing Administration which is authorized by subsection (b) of section 22 of the United States Housing Act of 1937, as amended, and if the maximum sum and the maximum period specified in such contract pursuant to said subsection 22 (b) shall not be less than the annual amount and the period for payment which are requisite to

provide for the payment when due of all installments of principal and interest on such obligations."

(b) Section 5200 of the Revised Statutes, as amended, is amended by adding at the end thereof the following:

"(11) Obligations of a local public agency (as defined in section 110 (h) of the Housing Act of 1949) or of a public housing agency (as defined in the United States Housing Act of 1937, as amended) which have a maturity of not more than eighteen months shall not be subject under this section to any limitation, if such obligations are secured by an agreement between the obligor agency and the Housing and Home Finance Administrator or the Public Housing Administration in which the agency agrees to borrow from the Administrator or Administration, and the Administrator or Administration agrees to lend to the agency, prior to the maturity of such obligations, monies in an amount which (together with any other monies irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity, which monies under the terms of said agreement are required to be used for that purpose."

NATIONAL HOUSING COUNCIL

SEC. 503. The Secretary of Labor or his designee, and the Federal Security Administrator or his designee, shall hereafter be included in the membership of the National Housing Council in the Housing and Home Finance Agency.

AMENDMENTS OF THE GOVERNMENT CORPORATIONS APPROPRIATION ACT, 1948, AND THE GOVERNMENT CORPORATIONS APPROPRIATION ACT, 1949

SEC. 504. (a) The second proviso in the paragraph under the heading "Federal Public Housing Authority" in title I of the Government Corporations Appropriation Act, 1948, is hereby repealed as of July 1, 1947.

(b) The second proviso in the paragraph under the heading "Public Housing Administration" in title I of the Government Corporations Appropriation Act, 1949, is hereby repealed as of July 1, 1948.

(c) The first proviso in the paragraph under the subheading "Public Housing Administration" in title II of the Government Corporations Appropriation Act, 1949, is hereby repealed.

DEPUTY HOUSING AND HOME FINANCE ADMINISTRATOR

SEC. 505. The Housing and Home Finance Administrator shall appoint a Deputy Housing and Home Finance Administrator, and the basic rate of compensation of such position shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency. The Deputy Administrator shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in that office, and shall perform such other duties as the Administrator shall direct.

CONVERSION OF STATE LOW-RENT OR VETERANS' HOUSING PROJECTS

SEC. 506. Any low-rent or veterans' housing project undertaken or constructed under a program of a State or any political subdivision thereof shall be approved as a low-rent housing project under the terms of the United States Housing Act of 1937, as amended, if (a) a contract for State financial assistance for such project was entered into on or after January 1, 1948, and prior to January 1, 1950, (b) the project is or can become eligible for assistance by the Public Housing Administration in the form of loans and annual contributions under the provisions of the United States Housing Act of 1937, as amended, and (c) the public housing agency operating the project in the State makes appli-

cation to the Public Housing Administration for Federal assistance for the project under the terms of the United States Housing Act of 1937, as amended: *Provided*, That loans made by the Public Housing Administration for the purpose of so converting the project to a project with Federal assistance shall be deemed, for the purposes of the provisions of section 9 and other sections of the United States Housing Act of 1937, to be loans to assist the development of the project. Section 503 of the Housing Act of 1948 is hereby repealed.

CENSUS OF HOUSING

SEC. 507. (a) The Director of the Census is authorized and directed to take a census of housing in each State, the District of Columbia, Hawaii, Puerto Rico, the Virgin Islands, and Alaska, in the year 1950 and decennially thereafter in conjunction with, at the same time, and as a part of the population inquiry of the decennial census in order to provide information concerning the number, characteristics (including utilities and equipment), and geographical distribution of dwelling units in the United States. The Director of the Census is authorized to collect such supplementary statistics (either in advance of or after the taking of such census) as are necessary to the completion thereof.

(b) All of the provisions, including penalties, of the act providing for the fifteenth and subsequent decennial censuses, approved June 18, 1929, as amended (U. S. C., title 13, ch. 4), shall apply to the taking of the census provided for in subsection (a) of this section.

NATIONAL CAPITAL HOUSING AUTHORITY

SEC. 508. Notwithstanding any other provisions of law, the National Capital Housing Authority is hereby authorized to acquire sites for low-rent public housing projects assisted under the provisions of the United States Housing Act of 1937, as amended.

ACT CONTROLLING

SEC. 508. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

SEPARABILITY

SEC. 509. Except as may be otherwise expressly provided in this act, all powers and authorities conferred by this act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

Mr. SPENCE. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: Strike out all after the enacting clause and insert the provisions of the bill H. R. 4009, as amended.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings whereby the bill H. R. 4009 was passed were vacated and that bill laid upon the table.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 3088. An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes; and

H. R. 3549. An act to permit the Comptroller General to pay claims chargeable against lapsed appropriations and to provide for the return of unexpended balances of such appropriations to the surplus fund.

The message also announced that the Senate had adopted the following resolution (S. Res. 130):

Resolved, That when the Senate recesses or adjourns on Friday, July 1, 1949, it be until Tuesday, July 5, 1949; and that on said day, and until otherwise ordered, it meet in the old Supreme Court room in the Capitol.

Resolved, That all rules relating to the Senate Chamber shall be applicable to the old Supreme Court room.

Resolved, That the Secretary communicate these resolutions to the President of the United States and to the House of Representatives.

The message also announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5044. An act to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4754) entitled "An act to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes."

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATIONS AND FUNDS FOR EXPORT-IMPORT BANK AND RECONSTRUCTION FINANCE CORPORATION, 1950

Mr. GARY submitted the following conference report and statement on the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 948)

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 3083) "making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation, for

the fiscal year ending June 30, 1950, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 5 and 7 and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$226,300,000"; and the Senate agree to the same.

J. VAUGHAN GARY,
A. M. FERNANDEZ,
OTTO E. PASSMAN,
CLARENCE CANNON,

Managers on the Part of the House.

BURNET R. MAYBANK,
CARL HAYDEN,
H. M. KILGORE,
JOHN L. MCCLELLAN,
OLIN D. JOHNSTON,
GUY CORDON,
CLYDE M. REED,
STYLES BRIDGES,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes, submit the following report in explanation of the conference report as to each of such amendments, namely:

Amendment No. 5, relating to salaries and expenses of the Bureau of Internal Revenue: Deletes the limitation on personal services as proposed by the Senate.

Amendment No. 6, appropriates \$226,300,000 for salaries and expenses of the Bureau of Internal Revenue.

It is the direction of the conference committee that the Bureau of Internal Revenue shall increase its field enforcement groups by not more than 4,250 employees at the end of the fiscal year 1950.

Amendment No. 7: Provides a limitation on personal services for the Bureau of Internal Revenue in the District of Columbia of not to exceed \$17,509,000, as proposed by the Senate.

J. VAUGHAN GARY,
A. M. FERNANDEZ,
OTTO E. PASSMAN,
CLARENCE CANNON,

Managers on the Part of the House.

Mr. GARY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation, for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GARY. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on agreeing to the conference report.

Mr. GARY. Mr. Speaker, this report covers three amendments which are still in disagreement between the House and the Senate.

If you will recall, the House and the Senate recently adopted a conference report agreeing to all amendments except these three. The main question at issue in these amendments was the number of additional employees that would be placed on the rolls of the Bureau of Internal Revenue for the fiscal year 1950. The budget requested 7,000 employees for the next fiscal year. The House allowed 1,500. The Senate approved the entire 7,000. In this report we have split the difference between the Senate and the House, and the conferees recommend 4,250.

The total appropriations allowed in the House bill for this purpose was \$220,500,000. The Senate bill increased this amount to \$232,768,000. The conference report allows \$226,300,000, which is \$5,800,000 above the House bill and \$6,468,000 below the Senate bill.

The grand total of appropriations in the Treasury-Post Office bill, as now agreed upon, is \$3,090,528,903.93, of which \$2,054,210,500 is for the Post Office Department and \$1,036,318,403.93 is for the Treasury Department's operations.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield to me?

Mr. GARY. I shall be very glad to yield to the distinguished gentleman from New Jersey, the ranking minority member of the committee.

Mr. CANFIELD. Mr. Speaker, I did not sign the conference report nor did my colleague the gentleman from New York [Mr. COUDERT].

It is interesting to note the almost feverish efforts in both bodies to get Members signed up to support a resolution requiring the President to cut all appropriation bills 5 percent or more in order to avoid deficit financing or new tax bills. I believe 61 in the other body are already on record.

We are asking the President to do a job we should have done and it is going to be a troublesome precedent although at the moment there seems to be no other way out.

Here now, in this agreement, we permit the hiring of thousands of additional Federal workers, most of them to go on the rolls in 1950.

I know that my distinguished and able chairman, Mr. GARY, is sincerely interested in real economy and he fought the Senate conferees. He was accorded little help from his side.

While the Bureau of Internal Revenue can profitably use some additional men after reorienting itself and making improvements at headquarters and in the field, the case for the number herein granted has not been established.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. PHILLIPS of California. As one member of the Committee on Appropriations, which felt when this bill went over that 1,500 people was adequate, I would like something more than just the state-

ment that "We split the difference with the Senate." I would like some justification for the fact that we are adding half of the 5,500—2,250—people on nothing but just a split with the Senate, because I believe the gentleman from New Jersey is absolutely right.

A few moments ago I was asked to sign a resolution asking the President to do our work for us, to cut all the appropriations 5 percent; and I refused, Mr. Speaker, to sign that resolution. Here we come in a few moments later, however, and say we will put on 4,250 men for no reason other than that we just split with the Senate. I would like an explanation.

Mr. CANFIELD. Let me say to the gentleman from California and in all fairness to the chairman of the subcommittee, the gentleman from Virginia [Mr. GARY] that they took a vote in the other body, and the vote was 75 to nothing for 7,000 additional employees.

Mr. PHILLIPS of California. I guess that is the explanation.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. CASE of South Dakota. I wish to commend the gentleman from New Jersey for not signing this report, and also for calling attention to the fact that this device of passing the buck to the President to make reductions is bad practice and should be resorted to only as a last resort.

The Congress has long prided itself upon the fact that it had the control of the purse, and the House of Representatives has long prided itself on the fact that appropriations originated in the House of Representatives.

If another body of Congress refuses, when these bills go before it, to do the job of economizing that it should do and raises the bills the House has cut and then asks the executive branch of the Government to take over the job of reducing or curtailing appropriations, the public should be made to know to what extent Members of the House, at least, have tried to do their duty. We should continue to fight for the reductions we have made and accept the executive procedure only as a matter of last resort.

I hope that the members of the Appropriations Subcommittees of the House will follow the injunction given us not so long ago that we fight until snow comes if necessary to maintain the position of the House in effecting reductions in these bills.

Mr. GARY. Mr. Speaker, may I say that about 2 years ago we cut the appropriations of the Bureau of Internal Revenue something over 5,000 employees. At that time I opposed the cut. We recognized the mistake last year and we restored approximately 2,000 of those employees; to be exact, I think it was 1,950.

This year the Bureau asked for 7,000 additional employees. Frankly, I thought the figure was too high. I thought, moreover, that even though the Bureau needed 7,000 additional employees that they would not be able to recruit and train 7,000 good men within a 12 months' period. There was, however, a difference of opinion on the question

on the floor of the House, and the Members will recall that when we brought back our conference report there were several Members of the House who urged additional employees over and above the number that the House had allowed. When the conference report was considered in the Senate that body was absolutely unanimous in insisting upon the number of 7,000, which it had previously approved. Under those conditions we went into another conference. We have been in conference for about 2 weeks. Finally, after a great deal of discussion and consideration we were able to agree upon 4,250. But let me say that these 4,250 employees will not all be put on at one time; they will be put on at different times during the year so that greater selectivity may be used in their selection and so that they can be better trained. As a matter of fact, if we consider appropriations, the appropriation figures as presented now are \$5,800,000 above the House bill and \$6,468,000 below the Senate bill. So we did get better than a 50-50 cut on the actual appropriations for next year. But as to the number of employees on the roll at the end of the year we did actually split the difference.

Although I felt that probably a lesser number would have been sufficient, frankly, I think it is a good compromise and I recommend the conference report.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1950

Mr. CANNON. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 284.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the joint resolution be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the joint resolution, as follows:

*Resolved, etc., That (a) there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such amounts as may be necessary to permit departments, agencies, corporations, or other organizational units in any branch of the Government for which appropriations, funds, or other authority (including limitations, restrictions, or permissive provisions) would be made available for use or application in the fiscal year 1950 by any appropriation act (such act not being law on July 1, 1949), to carry out their projects or activities until the approval of the applicable appropriation act, to the extent and in the manner which would be provided for in appropriations, funds, or other authority granted by such act: *Provided*, That in any case where the amount to be made available or the authority to be granted under*

any such act as passed by the House of Representatives is different from the amount to be made available or the authority to be granted under such act as passed by the Senate, the pertinent project or activity shall be carried out under whichever amount is lesser or whichever authority is more restrictive: *Provided further*, That in any case where an item is included in an appropriation act which has been passed by only one House, or where an item is included in only one version of an act passed by both Houses, for a project or activity for which funds were provided by Congress for the fiscal year 1949, such project or activity shall be carried on under the appropriation, funds, or authority granted by the one House, but in no event at a rate higher than that provided for the fiscal year 1949.

(b) There are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such amounts as may be necessary to permit departments, agencies, corporations, or other organizational units in any branch of the Government to carry out projects or activities for which funds were provided by Congress for the fiscal year 1949, and for which a budget estimate for the fiscal year 1950 was transmitted to the Congress prior to July 1, 1949, but for which no provision is contained in any bill pending in Congress on July 1, 1949, at the rate provided for under any corresponding appropriation for the fiscal year 1949 or the Budget estimate for 1950, whichever is smaller; except that in the case of activities (other than those of the Treasury Department) transferred to the General Services Administration by H. R. 4754 (81st Cong.) when enacted into law, there are hereby appropriated such amounts as may be necessary to carry out such activities to the extent and in the manner which would be provided for in Budget estimates transmitted to the Congress for the fiscal year 1950.

(c) Appropriations and funds made available, and authority granted, pursuant to this joint resolution shall be determined under the terms hereof by reference to the status of the pertinent appropriation acts and Budget estimates on July 1, 1949, and shall continue to be available in the amount and in the manner so determined until (1) enactment into law of the applicable appropriation act, or (2) the date both Houses shall have acted and failed to make an appropriation, or (3), July 31, 1949, whichever first occurs.

(d) Expenditures from appropriations or funds made available pursuant to this joint resolution shall be charged to any applicable appropriation or fund when the bill in which it is contained is enacted into law.

Mr. CANNON. Mr. Speaker, the fiscal year ends tomorrow night at midnight and unless a resolution is passed a great many pay rolls and 2,800,000 checks for veterans benefits will be held up until some indeterminate time in the future. So we bring in a continuing resolution, House Joint Resolution 284, which is couched in the usual phraseology.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I do not like this resolution and I am sorry it has to be brought in, but it seems to be inevitable under the circumstances. It is made inevitable by the fact that although the Eighty-first Congress has been in session for over 6 months now only seven of the appropriation bills have been sent to the President, seven more remaining to be acted upon.

In view of the fact that the fiscal year ends tomorrow night there is no other alternative than to adopt the pending resolution.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Under the resolution as reported, does it carry the amendment limiting it to July 31?

Mr. WIGGLESWORTH. Yes. An amendment was adopted in committee which limits the duration of the resolution until, first, enactment into law of the applicable appropriation act; or, second, the date both Houses shall have acted and failed to make an appropriation; or, third, July 31, 1949, whichever first occurs.

Mr. CANNON. Mr. Speaker, on the contrary, no amendment was adopted in the committee. The resolution is as considered by the committee.

Mr. WIGGLESWORTH. The resolution was revised and reintroduced.

Mr. CASE of South Dakota. Will the gentleman from Missouri advise us about the resolution before the House? Does it carry the date July 31, 1949?

Mr. CANNON. Certainly.

It is in the form in which it was introduced and reported out by the committee.

It might be added that on this date in the corresponding session of the Eighty-eighth Congress 11 of the general appropriation bills had not been enacted and two of them had not even passed the House.

Mr. CASE of South Dakota. Does it carry the date July 31, 1949?

Mr. CANNON. It is in precisely the form in which it was introduced and considered in the committee.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from California.

Mr. PHILLIPS of California. We are considering House Joint Resolution 284?

Mr. CANNON. That is right. Consent was given for the consideration of the joint resolution and the Clerk read the title from the desk.

Mr. CHURCH. Mr. Speaker, this House Joint Resolution 284 is the "new look" and a "new bad look" in disgrace of the Eighty-first Congress so far as appropriation bills are concerned.

The report, to accompany House Joint Resolution 284, in part, says:

Inasmuch as several appropriation bills are still pending legislative consideration, it is deemed necessary to recommend the enactment of the accompanying joint resolution in order that pay rolls and certain other Government obligations may be met promptly.

Mr. Speaker, instead of "several appropriation bills" the report should have stated something like this, "While exactly three-fourths of the number of appropriation bills are still pending legislative consideration, bills for practically all of the money measures in amount are still pending."

Mr. Speaker, only three appropriation bills have so far become law, and tomorrow, June 30, is the end of the fiscal year.

The three bills approved are:

The first and second deficiency, 1949, and legislative, 1950.

Among bills pending are:

Labor and Federal Security, 1950; Agriculture, 1950; and District of Columbia, 1950, through conference.

Treasury and Post Office, 1950; Civil Function, 1950; and State, Justice, and Commerce, 1950, still in conference.

Armed services, Independent Offices, and Interior have all three not even reached the conference status.

Mr. Speaker, there is the Eighty-first Congress calendarwise, economywise, and otherwise—a terrible comparison with the record of the last session.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING COMPENSATION OF CERTAIN EMPLOYEES OF THE DISTRICT OF COLUMBIA

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3038), to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 24, after "enactment" insert: ", except that such additional compensation shall be paid a retired employee for services rendered between the first day of the first pay period which began after June 30, 1948, and the date of his retirement."

Page 4, line 9, strike out all after "act" down to and including "retirement" in line 12.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD immediately following those of the gentleman from Massachusetts [Mr. WIGGLESWORTH] on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD and include an article.

PROGRAM FOR REMAINDER OF THE WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would like to inquire of the majority leader what the program for the remainder of the week will be.

Mr. McCORMACK. I will be very glad to inform the gentleman. The rural telephone bill will go over, and I intend to assign it for Thursday of next week. The Puerto Rican farm-loan bill will not be called up tomorrow, and that will go over until sometime later.

The two bills I have scheduled for tomorrow are H. R. 3191, compensation to United States employees, and H. R. 2619, which extends annual and sick leave benefits.

Mr. MARTIN of Massachusetts. What will be the program for Friday?

Mr. McCORMACK. Absolutely nothing for Friday, and that is so even if we do not dispose of these two bills I have scheduled for tomorrow. As I stated heretofore, we will finish the legislative business Thursday. We will meet on Friday only to adjourn until the following Tuesday. On Tuesday we will have legislation of a noncontroversial nature, and if there is to be a roll call, we have agreed that it will be put over until Wednesday morning.

Mr. MARTIN of Massachusetts. I thank the gentleman.

EXTENSION OF REMARKS

Mr. PRICE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost \$187.50, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. BARDEN asked and was given permission to extend his remarks in the RECORD and include the wording of a bill passed by the subcommittee on education and an editorial appearing in the Durham Sun.

Mr. CROOK asked and was given permission to extend his remarks in the RECORD on the subject of Essence of Democracy and include a statement.

Mr. KENNEDY asked and was given permission to extend his remarks in the RECORD and include a joint statement.

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. BUCKLEY of New York asked and was given permission to extend his remarks in the RECORD.

Mr. GRANT asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. KLEIN (at the request of Mr. POWELL) was given permission to extend his remarks in the RECORD and include two items.

Mr. MARCANTONIO (at the request of Mr. POWELL) was given permission to extend his remarks in the RECORD.

Mr. BYRNE of New York asked and was given permission to extend his remarks in the RECORD and include an address by Paul E. Fitzpatrick.

WORLD FEDERATION

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the gentleman from Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, I have been asked by a number of Members on this side of the aisle to add their names to the list of sponsors of the resolution which the gentleman from Minnesota [Mr. JUDD] and I have introduced.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Minnesota.

Mr. JUDD. I am glad to advise the gentleman that two additional Members from our side, the gentleman from Massachusetts [Mr. BATES] and the gentleman from Pennsylvania [Mr. CORBETT], have added their names.

Mr. HAYS of Arkansas. The additional sponsors are Messrs. DOYLE, FALLON, GORDON, HEFFERNAN, PETERSON, TACKETT, and HARRIS.

EXTENSION OF REMARKS

Mr. MOULDER asked and was given permission to extend his remarks in the RECORD on the subject of Government reorganization.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances and include an editorial and an article.

Mr. LEMKE (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. FULTON (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include a letter and a statement.

Mr. PHILLIPS of California asked and was given permission to extend his remarks in the RECORD and include a short letter.

AUTOMOBILES FOR AMPUTEES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am very glad the resolution making appropriations available for the next month has been passed, because the amputees have been anxiously waiting for it, and the hospitals outside can now apply for the automobiles for amputees. When the third deficiency bill passes the Senate the amputees will have an entire year to apply for those automobiles.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. ROONEY (at the request of Mr. HEFFERNAN), for an indefinite period, on account of death in family.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4754. An act to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies

of the Government, and for other purposes; and

H. J. Res. 240. Joint resolution authorizing the erection in the District of Columbia of a statue of Simon Bolivar.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill and joint resolution of the House of the following titles:

H. R. 3198. An act to amend the act of June 18, 1929; and

H. J. Res. 235. Joint resolution to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes.

ADJOURNMENT

Mr. MORRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Thursday, June 30, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

730. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of \$25,000,000 to continue for 2 months the present program of assistance to the Republic of Korea (H. Doc. No. 247), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 936. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 937. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. MARSHALL: Committee on Public Lands. H. R. 3282. A bill to repeal certain acts of Congress, known as Indian liquor laws, in certain parts of Minnesota; with an amendment (Rept. No. 938). Referred to the Committee of the Whole House on the State of the Union.

Mr. ASPINALL: Committee on Public Lands. H. R. 4548. A bill to provide for the utilization as a national cemetery of surplus Army Department owned military real property at Fort Logan, Colo.; without amendment (Rept. No. 939). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 284. Joint resolution making temporary appropriations for the fiscal year 1950, and for other purposes; without amendment (Rept. No. 940). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. S. 1076. An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended; with an amendment

(Rept. No. 946). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 1746. A bill to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes; with an amendment (Rept. No. 947). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARY: Committee of conference. H. R. 3083. A bill making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes (Rept. No. 948). Ordered to be printed.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H. R. 242. A bill to provide for the conferring of the degree of bachelor of science upon graduates of the United States Merchant Marine Academy; without amendment (Rept. No. 949). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H. R. 2572. A bill to extend to commissioned officers of the Coast and Geodetic Survey the provisions of the Armed Forces Leave Act of 1946; without amendment (Rept. No. 950). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FELLOWS: Committee on the Judiciary. S. 230. An act for the relief of Mrs. Sonia Kaye Johnston; without amendment (Rept. No. 941). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 980. An act for the relief of Toshie Okutomi; without amendment (Rept. No. 942). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1979. A bill for the relief of Soo Hoo Yet Tuck; with an amendment (Rept. No. 943). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 3768. A bill for the relief of Mrs. Justa G. Vda. de Guido, Belen de Guido, Mulla de Guido, and Oscar de Guido; with an amendment (Rept. No. 944). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 3816. A bill for the relief of Alexis Leger; without amendment (Rept. No. 945). Referred to the Committee of the Whole House.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H. R. 4829. A bill to authorize the President to appoint Paul A. Smith as representative of the United States to the Council of the International Civil Aviation Organization without affecting his status and perquisites as a commissioned officer of the Coast and Geodetic Survey; without amendment (Rept. No. 951). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENTSEN:

H. R. 5382. A bill to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities; to the Committee on Agriculture.

By Mr. CHUDOFF:

H. R. 5383. A bill to provide that no institution hereafter established shall be deemed qualified to furnish education or training to veterans until it has been in operation for 1 year; to the Committee on Veterans' Affairs.

By Mr. McDONOUGH:

H. R. 5384. A bill to provide for the holding of referendums among the citizens of the States to determine their wishes with respect to the establishment of valley authorities which would include their States; to the Committee on Public Works.

By Mr. MANSFIELD:

H. R. 5385. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. GAVIN:

H. R. 5386. A bill to impose upon lubricating oils sold in the United States by the manufacturer or producer a tax at the rate of 4½ cents a gallon, to be paid by the manufacturer or producer, and for other purposes; to the Committee on Ways and Means.

By Mr. WINSTEAD:

H. R. 5387. A bill to prohibit the Government from furnishing stamped envelopes containing any lithographing, engraving, or printing; to the Committee on Post Office and Civil Service.

By Mr. PATTERSON:

H. R. 5388. A bill to amend the National Service Life Insurance Act of 1940, as amended; to the Committee on Veterans' Affairs.

By Mr. YOUNG:

H. R. 5389. A bill to provide for the temporary free importation of articles for exhibition at fairs, shows, etc.; to the Committee on Ways and Means.

By Mrs. BOSONE:

H. R. 5390. A bill to authorize the Secretary of the Interior to exchange certain Navajo tribal Indian land for certain Utah State land; to the Committee on Public Lands.

By Mr. O'NEILL:

H. R. 5391. A bill to provide for a post-office building at Dickson City, Pa.; to the Committee on Public Works.

By Mr. PACE:

H. R. 5392. A bill to amend the cotton marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. FULTON:

H. R. 5393. A bill to provide for research relating to child life and development; to disseminate information as to the practical application of such research by parents, professional persons, and others; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 5394. A bill to provide nonquota immigration status for certain adopted children of American citizens; to the Committee on the Judiciary.

H. R. 5395. A bill to encourage the prevention of stream pollution by allowing amounts paid for plants for the treatment of industrial waste as a deduction in computing net income; to the Committee on Ways and Means.

H. R. 5396. A bill to terminate the war tax rates on certain miscellaneous excise taxes, and for other purposes; to the Committee on Ways and Means.

H. R. 5397. A bill granting exemptions from income tax in the case of retirement pensions and annuities of Government employees; to the Committee on Ways and Means.

By Mr. REED of New York:

H. R. 5398. A bill to amend section 811 (c) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. CANNON:

H. J. Res. 284. Joint resolution making temporary appropriations for the fiscal year 1950, and for other purposes; to the Committee on Appropriations.

By Mrs. NORTON:

H. J. Res. 285. Joint resolution to authorize the Reconstruction Finance Corporation to loan \$2,000,000 to the National Capital Sesquicentennial Commission; to the Committee on Banking and Currency.

By Mr. MARTIN of Massachusetts:

H. J. Res. 286. Joint resolution to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest; to the Committee on Expenditures in the Executive Departments.

By Mr. CHUDOFF:

H. Res. 272. Resolution creating a select committee to investigate and study private trade schools and private business schools and colleges at which veterans are enrolled under the Servicemen's Readjustment Act of 1944; to the Committee on Rules.

By Mr. GRANGER:

H. Res. 273. Resolution creating a select committee to investigate the tobacco and cigarette problem; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama, memorializing the Congress of the United States to order its Judiciary Committee and Civil Rights Subcommittee to discontinue any investigation of or plans to investigate the recent acts of violence by hooded men in Alabama; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of California, relative to completion of the Four States Highway; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHUDOFF:

H. R. 5399. A bill for the relief of Elaine Dovico; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 5400. A bill for the relief of Camillo James Albano; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 5401. A bill for the relief of Lili Lender; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 5402. A bill for the relief of Paul L. Barrett; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1199. By Mr. NORBLAD: Petitions signed by M. E. Woodcock, of Corvallis, Oreg., and 190 other citizens of the State of Oregon, protesting against enactment of legislation which will authorize our Government or any bureau thereof to dispense, control, or finance medical care to the citizens of the United States; to the Committee on Interstate and Foreign Commerce.

1200. Also, petitions signed by G. W. Nelson, of Salem, Oreg., and 134 other citizens of the State of Oregon, protesting against enactment of legislation which will authorize our Government or any bureau thereof to dispense, control, or finance medical care to the citizens of the United States; to the Committee on Interstate and Foreign Commerce.

1201. Also, petitions signed by 1,426 citizens of the States of Oregon and Idaho, protesting against enactment of legislation which will authorize our Government or any bureau thereof to dispense, control, or

finance medical care to the citizens of the United States; to the Committee on Interstate and Foreign Commerce.

1202. By the SPEAKER: Petition requesting that the Eighty-first Congress remain in session until a long-range farm program embodying the principles of the Brannan bill be enacted into law and that the Hope-Alken law be repealed; to the Committee on Agriculture.

1203. Also, petition of District of Columbia Federation of Women's Clubs, Washington, D. C., relative to the longshoremen's strike in Hawaii, and asking that, if existing law proves inadequate in this crisis, Congress pass suitable legislation to remedy this situation; to the Committee on Education and Labor.

1204. Also, petition of H. A. Butts and others, San Jose, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1205. Also, petition of E. E. Proud and others, La Habra, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1206. Also, petition of Fannie L. Judy and others, San Diego, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1207. Also, petition of David Nordenmah and others, Chicago, Ill., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1208. Also, petition of E. B. Gruver and others, Milton, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1209. Also, petition of W. A. Schaeffer and others, Pittsburgh, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1210. By Mr. LeCOMPTE: Petition of Charles K. Cain, druggist, and other citizens of Deep River, Iowa, urging the repeal of the 20-percent excise tax on all toilet goods; to the Committee on Ways and Means.

1211. By Mr. SMITH of Wisconsin: Petition of residents in Monticello, Wis., requesting that financial relief be given growers of Angora rabbit wool and that favorable action be taken on the bill H. R. 4549 at this session; to the Committee on Agriculture.

SENATE

THURSDAY, JUNE 30, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, as another morning climbs to noon, ascending the hill of the Lord, may we breathe the purer air above the dusty plains of the trivial and the temporary, here finding an altar of pardon and peace. May the memory of Thy past mercies mingle like sweet incense with a strengthening assurance of Thy present nearness which no malignancy nor cruel violence of man's devising can snatch from those whose minds are stayed on Thee. We pause now for Thy benediction before turning to waiting tasks, grateful for a great heritage worth

living and dying for and for a deathless cause that no weapon that has been formed can defeat. In Thy might lift up our hearts and make us strong. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 29, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 29, 1949, the President had approved and signed the following acts:

S. 257. An act to amend the Interstate Commerce Act, as amended, so as to provide limitations on the time within which actions may be brought for the recovery of undercharges and overcharges by or against common carriers by motor vehicles, common carriers by water, and freight forwarders;

S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts and almonds; and

S. 1794. An act to repeal certain obsolete provisions of law relating to the naval service.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 1070) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 3088. An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes; and

H. R. 3549. An act to permit the Comptroller General to pay claims chargeable against lapsed appropriations and to provide for the return of unexpended balances of such appropriations to the surplus fund.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 5, 6, and 7 to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation, for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the House had passed a joint resolution (H. J. Res. 284) making temporary appropriations for the fiscal year 1950, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 834. An act to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes;

H. R. 3088. An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes;

H. R. 3549. An act to permit the Comptroller General to pay claims chargeable against lapsed appropriations and to provide for the return of unexpended balances of such appropriations to the surplus fund; and

H. R. 5044. An act to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED DURING RECESS

Under authority of the order of the Senate of the 29th instant,

The VICE PRESIDENT announced that on June 29, 1949, he signed the following enrolled bill and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

H. R. 4754. An act to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; and

H. J. Res. 240. Joint resolution authorizing the erection in the District of Columbia of a statue of Simon Bolivar.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Millikin
Anderson	Holland	Morse
Baldwin	Humphrey	Mundt
Brewster	Hunt	Murray
Bricker	Ives	Myers
Butler	Jenner	Neely
Byrd	Johnson, Colo.	O'Connor
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Reed
Chapman	Kefauver	Robertson
Chavez	Kerr	Russell
Connally	Kilgore	Saltonstall
Donnell	Knowland	Schoeppel
Douglas	Langer	Smith, Maine
Downey	Lodge	Stennis
Eastland	Long	Taft
Eaton	Lucas	Thomas, Okla.
Ferguson	McCarran	Thomas, Utah
Flanders	McClellan	Thye
Frear	McFarland	Tobey
George	McGrath	Tydings
Gillette	McKellar	Vandenberg
Graham	McMahon	Watkins
Green	Magnuson	Wherry
Gurney	Malone	Wiley
Hayden	Martin	Williams
Hendrickson	Maybank	Withers
Hickenlooper		Young

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America, to the Second World